LAXMICHAND GOLWALA COLEEGE OF COMMERCE & ECONOMICS

M.G Road Ghatkopar-East, Mumbai-400077

(NAAC Accredited ‘B’ Grade with CGPA 2.81)

INTERNAL QUALITY ASSURANCE CELL

Organizes

ONE DAY STUDENT’S RESEARCH NATIONAL CONCLAVE

On

9 th December, 2017 (Saturday)

“RECENT REFORMS IN TAXATION, REAL ESTATE AND BANKING SECTORS IN INDIA”

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One Day Students' Research National Conclave

9th Dec 2017

Devendra Fadnavis
Chief Minister
Maharashtra

Mantralaya
Mumbai 400 032

2nd December 2017

MESSAGE

It gives me immense pleasure that Laxmichand Golawala College of Commerce and Economics is organizing one day Students Research National Conclave on Recent Reforms in Taxation, Real Estate and Banking Sectors in India on December 9, 2017.

It is praiseworthy that the college has introduced an innovative concept of national level student research conclave which would encourage students to think beyond the university walls through research and industry collaborative activities.

I congratulate the Laxmichand Golawala College of Commerce and Economics for organizing the conference to create a platform for young and promising managers to discuss their problems with their peers. I hope that this conference will offer a springboard to the upcoming experts and will give an opportunity to know about the latest developments in the field of research and knowledge.

I extend my best wishes to all those involved in the effort

(Devendra Fadnavis)

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PROF. DEVANAND SHINDE

VICE-CHANCELLOR (Ag)

MESSAGE

It gives me great pleasure to note that 'Laxmichand Golwala College of Commerce & Economics' is organizing a 'One Day Students Research National Conclave' on the theme of 'Recent Reforms in Taxation, Real Estate and Banking Sectors in India' on 9th December 2017.

As I see, the main aim of this research conclave is to match with the idea of the UGC to promote research activity among student community. The upcoming research conclave will certainly prove to be beneficial for the students from UG and PG levels of higher education. I am sure the research papers presented by the research minded students in this conclave will attract serious researchers from the field of commerce & economics.

I am confident that this research conclave will encourage our students to take up academic research seriously and will offer them an opportunity to share precious knowledge with the knowledge community at large. It is very significant to discuss the issues of national interest by the young intellect at the right time.

With pride, I congratulate the authorities of management, Principal Dr. Swati Desai, organizers of this research conclave and participating students of this college.

I wish a great success to all and welcome young minds on the highways of academic research.

Dr. Devanand Shinde

4 December 2017

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PRESIDENT MESSAGE:

Dear Friends, Greetings!

On behalf of RAV’s Laxmichand Golwala College of Commerce and Economics, we feel delighted to present a One Day Students’ Research National Conclave– India’s most unique assembly of Youths dealing with contemporary issues of the year!

You might be having a lot of questions in your mind about why should there be such type of conclave?

The answer is that Students’ Research National Conclave is a platform, where leaders of tomorrow discuss and further develop their ideas into reality. It aims to foster leadership qualities amongst students and young professionals Author: opening a cross-cultural dialogue on issues of national and international relevance.

The conclave has been designed in a way so as to provide a good blend of knowledge related to recent burning topics of the era, which are changing the economic status of our country in the global arena. Eminent speakers - who are stalwarts in their areas, had agreed to accept to enrich our young minds on different themes of our conclave. The conclave shall be a amalgamation for all the students to develop their professional abilities and contacts. In the challenging phase of economy when major laws are undergoing reforms, it is inevitable for the students to be updated and accomplish their knowledge.

The conclave aims at bringing about a change and development (if not drastic one) in the minds of the youths Author: encouraging them to participate and express themselves.

Friends, let this conclave be the turning point in the life of the youngsters who are the future citizens of our country. Their personality should never remain the same but should evolve for the betterment of the society. They should be able to communicate with hundreds of young people from across the globe, which were not only desirous but also determined to bring about a change in the society and make this world a better place to live.

We wish you all the best.

D.M. Mehta, President, RAV

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STUDY ON THE IMPACT OF GST ON INDIAN ECONOMY

Amritlal R Yadav

Abstract

The GST Bill was introduced in Loksabha in 2009 by erstwhile UPA government but they failed to get it passed. The NDA government introduced a 'slightly modified' version of the GST Bill in the Parliament and both the Houses passed it. Through GST, the government aims to create a single comprehensive tax structure that will subsume all the other smaller indirect taxes on consumption like service tax, etc in the words of UnionFinance Minister Arun Jaitley 'it will lead to the financial integration of India'. The main theme of this paper is to highlight the impact of Goods and Service Tax on the Indian economy.

Keywords**: Goods and Service Tax, Indian Economy.**

Introduction: Goods and Service Tax (GST) is a new indirect tax scheme which is a consumption based tax. It will replace all the indirect taxes. It is biggest tax reform that will bring India in competition with other countries in respect to the indirect taxation platform. That the new tax scheme will boost the growth and development of the Indian economy.

Amidst economic crisis across the globe, India has posed a beacon of hope with ambitious growth targets, supported by a bunch of strategic undertakings such as the Make in India and Digital India campaigns. The Goods and Services Tax (GST) is another such undertaking that is expected to provide the much needed stimulant for economic growth in India by transforming the existing base of indirect taxation towards the free flow of goods and services. GST is also expected to eliminate the cascading effect of taxes. India is projected to play an important role in the world economy in the years to come. The expectation of GST being introduced is high not only within the country, but also within neighbouring countries and developed economies of the world.

LITERATURE REVIEW: Akansha Khurana and Aastha Sharma(2016) studied,"Goods and services tax in India- A Positive reformfor indirect test system" conclude from GST willprovide relief to producer and consumer by providingwide and comprehensive coverage of input tax creditset –off, service tax set-off and subsuming the several taxes. N. Kumar (2014) studied, "Goods and Service Tax- A Way Forward" and concluded that implementation of GST in India help in removing economic distortion by current indirect tax system and expected to encourage unbiased tax structure which is increase government revenue. Dr. P Vijayaraghavan1 and Mr. Muhammed Unais (April 2017) Studied "Impact of GST on Indian Economy and concluded that the implementation of GST will reduce tax burden on manufacturers and thus encourages for the higher production. This process will increase the export of India and it will increase the total GNP. Avoidance of cascading effect empowers the manufacturers to produce to their optimum capacity and retards growth.

OBJECTIVES OF THE STUDY: The following are the main objectives of the present research paper

1. To highlights the benefits of Goods and service tax to the Indian economy.
2. To know the features of the Goods and service tax.
3. To know the impact of GST on Indian economy.

RESEEARCH METHODOLOGY: Only the secondary data is taken into consideration for the purpose of this study. The relevant secondary data is collected from the publication of magazines Ministerial department Government of India. News papers, books.

LIMITATIONS: The limitation of this study is that this paper consideration only the impact of Goods and service tax on the Indian economy and the benefits of goods and service tax.

GST Meaning: It is a single indirect tax for the whole nation, one which will make India a unified common market. It is a single tax on the supply of goods and services, right from the manufacturer to the consumer. The government aims to create a single comprehensive tax structure that will subsume all the other smaller indirect taxes on consumption like service tax, etc. Touted to be a major game changer, in the words of Union Finance Minister Arun Jaitley 'it will lead to the financial integration of India'.

Benefits of GST to the Indian Economy: Removal of bundled indirect taxes such as VAT, CST, Service tax, CAD, SAD, and Excise. Less tax compliance and a simplified tax policy compared to current tax structure. Removal of cascading effect of taxes i.e. removes tax on tax. Reduction of manufacturing costs due to lower burden of taxes on the manufacturing sector. Hence prices of consumer goods will be likely to come down. Lower the burden on the common man i.e. public will have to shed less money to buy the same products that were costly earlier. Increased demand and consumption of good increased demand will lead to increase supply. Hence, this will ultimately lead to rise in the production of goods. Control of black money circulation as the system normally followed by traders and shopkeepers will be put to a mandatory check. Boost to the Indian economy in the long run. These are possible only if the actual benefit of GST is passed on to the final consumer. There are other factors, such as the seller's profit margin, that determines the final price of goods. GST alone does not determine the final price of goods.

How will GST impact the Indian Economy? Reduces tax burden on producers and fosters growth through more production. The current taxation structure, pumped with myriad tax clauses, prevents manufacturers from producing to their optimum capacity and retards growth. GST will take care of this problem by providing tax credit to the manufacturers. Different tax barriers, such as check posts and toll plazas, lead to wastage of unpreserved items being transported. This penalty transforms into major costs due to higher needs of buffer stock and warehousing costs. A single taxation system will eliminate this roadblock. There will be more transparency in the system as the customers will know exactly how much taxes they are being charged and on what base. GST will add to the government revenues by extending the tax base. GST will provide credit for the taxes paid by producers in the goods or services chain. This is expected to encourage producers to buy raw material from different registered dealers and is hoped to bring in more vendors and suppliers under the purview of taxation. GST will remove the custom duties applicable on exports. The nation's competitiveness in foreign markets will increase on account of lower costs of transaction.

A Brighter Economy: The introduction of the Goods and Services Tax will be a very noteworthy step in the field of indirect tax reforms in India. By merging a large number of Central and State taxes into a single tax, GST is expected to significantly ease double taxation and make taxation overall easy for the industries. For the end customer, the most beneficial will be in terms of reduction in the overall tax burden on goods and services. Introduction of GST will also make Indian products competitive in the domestic and international markets. Last but not least, the GST, because of its transparent character, will be easier to administer. Once implemented, the proposed taxation system holds great promise in terms of sustaining growth for the Indian economy.

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STUDY ON WHITE COLLAR CRIME, CORPORATE CRIME AND ORGANIZED CRIME

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Abstract

Financial crimes are crimes against property, involving the unlawful conversion of the ownership of property (belonging to one person) to one's own personal use and benefit. Financial crimes may involve fraud (cheque fraud, credit card fraud, mortgage fraud, medical fraud, corporate fraud, securities fraud (including insider trading), bank fraud, insurance fraud, market manipulation, payment (point of sale) fraud, health care fraud); theft; scams or confidence tricks; tax evasion; bribery; embezzlement; identity theft; money laundering; and forgery and counterfeiting, including the production of Counterfeit money and consumer goods. Financial crimes may involve additional criminal acts, such as computer crime, elder abuse, burglary, armed robbery, and even violent crime such as robbery or murder. Financial crimes may be carried out by individuals, corporations, or by organized crime groups. Victims may include individuals, corporations, governments, and entire economies. Organized crime groups generate large amounts of money by activities such as drug trafficking, arms smuggling and financial crime. Organized crime groups need to hide the money's illegal origin. It allows for the expansion of OC groups, as the 'laundry' or 'wash cycle' operates to cover the money trail and convert proceeds of crime into usable assets. Money laundering is bad for international and domestic trade, banking reputations and for effective governments and rule of law.

OBJECTIVES OF THE STUDY

To study the concept of Financial Crimes.

To study the causes of the crimes.

To study the relation between the white collar and corporate crime.

INTRODUCTION Corporate crime refers to situations where corporate officials commit criminal or harmful acts for the benefit of the corporation, while occupational crime refers to situations where individual employees commit crimes against the corporation, workplace, or consumer during the course of employment. Much of the research on corporate offending has considered the characteristics of this offense type, with a great deal of debate centering on whether corporations actually "commit" crime. Corporate crime refers to crimes committed either by a corporation (i.e., a business entity having a separate legal personality from the natural persons that manage its activities), or by individuals acting on behalf of a corporation or other business entity.White-collar crime refers to financially motivated nonviolent crime committed by business and government professionals. Within criminology, it was first defined by sociologist Edwin Sutherland in 1939 as "a crime committed by a person of respectability and high social status in the course of his occupation". Typical white-collar crimes could include fraud, bribery, Ponzi schemes, insider trading, labor racketeering, embezzlement, cybercrime, copyright infringement, money laundering, identity theft, and forgery. White Collar Crimes are the crimes committed by a person of high social status and respectability during the course of his occupation. It is a crime that is committed by salaried professional workers or persons in business and that usually involves a form of financial theft or fraud. The term "White Collar Crime" was defined by sociologist Edwin Sutherland in 1939. These crimes are non-violent crimes committed by business people through deceptive activities who are able to access large amounts of money for the purpose of financial gain. White Collar Crimes are committed by people who are involved in otherwise, lawful businesses and covers a wide range of activities. The perpetrators hold respectable positions in the communities unless their crime is discovered. The laws relating to white-collar crimes depend upon the exact nature of the crime committed.Organized crime is a category of transnational, national, or local groupings of highly centralized enterprises run by criminals who intend to engage in illegal activity, most commonly for money and profit. Some criminal organizations, such as terrorist groups, are politically motivated. Sometimes criminal organizations force people to do business with them, such as when a gang extorts money from shopkeepers for so-called "protection". Gangs may become disciplined enough to be considered organized. A criminal organization or gang can also be referred to as a mafia, mob, or crime syndicate; the network, subculture and community of criminals may be referred to as the underworld. European sociologists (e.g. Diego Gambetta) define the mafia as a type of organized crime group that specializes in the supply of extra-legal protection and quasi law enforcement. Gambetta's classic work on the Sicilian Mafia generates an economic study of the mafia, which exerts great influence on studies of the Russian Mafia, The Chinese Mafia, Hong Kong Triads and the Japanese Yakuza. Elaborating on the nature and extent of organized crime, M.N. Singh, Former Commissioner of Mumbai Police, stated, "organized crime is a planned commission of criminal offences inspired by the pursuit of profit and power. It is also a resisting form of criminal activity that brings together a client-public relationship which demands a range of goods and services which are illegal."

METHODOLOGY

SOURCE OF DATA --SECONDARY DATA: The data are collected from the secondary sources such as magazines, journals, etc. These sources consist of already variable data in the form of statements, and reports, which may include sensory reports, reports of governments departments, etc. It was collected from internal sources. The secondary data was collected on the basis of newspapers, magazines, management books, preserved information in the database and the website This research is based on purely on secondary data.

NEED FOR THE STUDY: In this project the focus is made on financial crimes. It provides the information on its types which are corporate crime, White Collar crime and Organized crime. The project also provides the information about the impact on the economy of the country. It also provides with case studies at the end of every different sections of the project. Study is purely based on the secondary data. This topic provides with information like characteristics, nature, types, and causes of financial crime.

LIMITATIONS

1. crime is a very vast concept; some of the aspects may be missing.
2. availability of limited time
3. some of the sections are not available in the case study.
4. limited sources of data.

CORPORATE CRIME

TYPES

Corporate Violence

1. Violence against consumers
2. Violence against shoppers
3. Corporate pollution
4. Price fixing

Crimes involving employees In a corporate crime an employee can be involved and if an employee is involved it will be more harmful to both organization and employees.

Crimes between firms

Another type of crime is against firms. In some case, crime happens against firms or organizations.

Crimes against societies: This is the most dangerous one because of this types of crime suffer entire society

False advertising: When companies use false advertisements to entice consumers to buy products or services that offer few, if any, of the publicized benefits

EXAMPLES :- **1]** SAHARA CASE
2] NSEL SCAM
3] SARADHA GROUP (WEST BENGAL)

WHITE COLLAR CRIME -TYPES		
Insider Trading	**Extortion**	**Credit Card Fraud**
Securities Fraud	**Bribery**	**Investment Schemes**
Tax Evasion	**Blackmail**	**Money Laundering**
Counterfeiting	**Embezz1ement**	**Racketeering**
Forgery	**Environmental Schemes**	**Larceny/Theft**
Cellular Phone Fraud	**Currency Schemes**	**Telemarketing Fraud**
Computer fraud	**Bank Fraud**	**Credit Card Fraud**

CAUSES OF WHITE COLLAR CRIME

The general perception is that the white collar crimes are committed because of greed or economic instability. But these crimes are also committed because of situational pressure or the inherent characteristic of getting more than others. However, there are various reasons for white collar crimes.

Not really a crime: Some offenders convince themselves that the actions performed by them are not crimes as the acts involved do not resemble street crimes.

Not realizable: Some people justify themselves in committing crimes as they feel that the government regulations do not understand the practical problems of competing in the free enterprise system.

Lack of awareness: One of the main reasons of white collar crime is the lack of awareness of people. The nature of the crime is different from the traditional crimes and people rarely understand it though they are the worst victims of crime.

Greed: Greed is another motivation of the commission of crime. Some people think that others are also violating the laws and so it is not bad if they will do the same.

Necessity: Necessity is another factor of committing crimes. People commit white collar crimes in order to satisfy their ego or support their family.

ORGANIZED CRIME or ORGANIZED CRIME NETWORK

1. Gang criminality
2. Racketeering
3. Syndicate crime

1] Gang Criminality This type of criminality includes kidnapping, extortion, robbery, vehicle theft, etc. on a large scale. Gangs are composed of tough and hardened criminals who do not hesitate to kill, assault, or use violence. They are equipped with modern pistols, bullet-proof vests, cars, etc. The gang criminals are efficient, disciplined but dangerous. These criminals are recruited from among ex-convicts, escaped murderers, professional gangsters, and high-powered robbers. Some gangs organize activities and furnish brains to individuals and groups engaged in anti-social activities, taking a cut of the loot or a fixed amount of money for the help rendered. The gangs float a score of satellites including restaurants, gambling dens, underworld messengers, women and children, and hangers-on.

2] Racketeering This is an activity of an organized criminal gang engaged in extortion of money from both legitimate and illegitimate business through intimidation of force. It also involves dishonest way of getting money by deceiving or cheating people, selling worthless goods and articles, adulterated commodities, spurious drugs and so forth. The racketeers, unlike organized criminal gangs do not take away all the profits but allow the owners of the illegitimate business to continue their operations like prostitution, gambling, liquor trafficking, drug peddling, etc., but give them (racketeers) regular fixed money. A favorite approach of these racketeers is to approach a businessman, suggesting that he needed protection and that it could be furnished at a stipulated monthly fee. According to Caldwell, - The racketeering gang is divided in two groups-the 'Brains' and the 'Muscles'. The former do the thinking, issue orders, solicit new business and arrange for protection. The latter do the beating, destroying, plundering and even killing.

3.Syndicate Crime This is furnishing illegal goods and services by an organized criminal gang, often called 'mafia'. The illegal goods could be drugs, liquor, etc. while the illegal services could be call-girls, gambling and so forth. The syndicates create their own 'business' procedures, usually operating from established headquarters. Society knows the members of these syndicates as respectable citizens living in posh residential areas, freely associating with high-status persons and engaged in lawful earning pursuits. They syndicates generally operate in big metropolitan areas which happen to be big centres of communication, transportation and distribution of goods. Each syndicate has a boss and an underboss. The underboss collects information and relays messages to the boss and passes instructions down to underlings. In some cases, there is no underboss but the boss has an advisor or a counselor. Below the level of the underboss are criminals who act as 'intermediaries' between the upper and the lower level personnel. Some of these intermediaries act as chiefs of operating units. The lowest level members are ordinary criminals who report to the 'intermediaries'.

CONCLUSION: Corporate Crimes today have acquired a new meaning altogether and there is no denying of the fact that there has been a total paradigm shift in the way a crime or a wrongful act is committed by corporations. From revenue thefts in the old days to modern day nexus of organized crime, the multinational corporation has acquired a totally new shape. There has been a drastic change in the economic functions of the companies. The companies can adopt any measure now to attain benefit and in the process they seldom care if the environment gets devastated, the funds are embezzled, the stock market is being manipulated, the employee's health and safety is being compromised etc. When a corporate commits a crime, there are many victims like – the State suffers revenue loss, the community gets devastated, the stakeholders and the shareholders get affected employment is lost and overall economic growth gets a setback etc. It can be said that there exists a co-relation between white collar crimes and the corporate crime. Here too, the employees of the company carry out a wrongful act within the scope of employment. The corporate crime can easily settle within the definition proposed by Sutherland because heinous and damaging crimes are undertaken by the elites of the company who occupy a very important position in the company. One decision of these elites can leave a permanent damage on surrounding environment, the individuals and the state.Organized crimes are actions done to make money or gain power through more than two people, and working together with the illegal use of business-related buildings, Criminals use corporal violence or threats, as well as having an influence on governmental life, the mass media, public organization, and justice. Organized crime has been around since crime has been inexistence. Each time there are rules and guidelines that people don't agree with that delay them from making a profit to improve their lives, those people will find out a way to go to that law to achieve their goals. Organized crime is ultimately based on the demand to carry out a mission that is known as unlawful to the gain power that does not coincide with the laws. These people see this as a safety measure to keep them from achieving success. People connected with organized crime have chosen to live a life of crime and use precisely what people has thought to be illegal as a profession. It would be naïve to express that this will ever finish or that there's a particular method to resolve or get rid of this from ever taking place. The guidelines presently in place fail to work and avoid lawful people from achieving much more knowledge. Apparently individuals accompanied with organized crime already do not stick to the rules and guidelines.

RECOMMENDATION

According to me, crimes can be prevented by the people who are actually affected by the acts as they know the consequences of the event better. Some measures to combat the crimes are:

- Creating public awareness against these crimes through the media of press, and other audio-visual aids and legal literacy programmes.
- Special Tribunals should be constituted with power to award sentence of imprisonment up to 5 years especially for white collar and corporate crimes.
- Stringent regulatory laws and drastic punishment for the criminals may help in reducing the crimes.
- Convictions should result in heavy fines rather than arrest and detention of criminals.
- There is a need for National Crime Commission which may squarely tackle the problem of crime and criminality in all its facts.
- Unless people strongly detest such crimes, it will not be possible to contain this growing threat.

REFERENCE

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Therefore, this Paper studies about Financial Crimes involving White Collar Individuals, Corporates /Organizations and Organized Crime

COMPETITION ACT, 2002---- JUDICIAL ANALYSIS

Chanchal Choudhay, *Ph.D. Scholar (Law), JJTU***.**

The Supreme Court has examined and explained the Law relating to Competition in India. The Bench comprising the Chief Justice of India, Justice Swatanter Kumar and Justice KS Radhakrishnan has discussed in great detail the law of competition, its aims and objectives, as understood around the world. The Bench observed as under;The decision of the Government of India to liberalize its economy with the intention of removing controls persuaded the Indian Parliament to enact laws providing for checks and balances in the free economy. The laws were required to be enacted, primarily, for the objective of taking measures to avoid anti-competitive agreements and abuse of dominance as well as to regulate mergers and takeovers which result in distortion of the market. The earlier Monopolies and Restrictive Trade Practices Act, 1969 was not only found to be inadequate but also obsolete in certain respects, particularly, in the light of international economic developments relating to competition law. Most countries in the world have enacted competition laws to protect their free market economies- an economic system in which the allocation of resources is determined solely by supply and demand. The rationale of free market economy is that the competitive offers of different suppliers allow the buyers to make the best purchase. The motivation of each participant in a free market economy is to maximize self-interest but the result is favourable to society. As Adam Smith observed: "there is an invisible hand at work to take care of this".As far as American law is concerned, it is said that the Sherman Act, 1890, is the first codification of recognized common law principles of competition law. With the progress of time, even there the competition law has attained new dimensions with the enactment of subsequent laws, like the Clayton Act, 1914, the Federal Trade Commission Act, 1914 and the Robinson-Patman Act, 1936. The United Kingdom, on the other hand, introduced the considerably less stringent Restrictive Practices Act, 1956, but later on more elaborate legislations like the Competition Act, 1998 and the Enterprise Act, 2002 were introduced. Australia introduced its current Trade Practices Act in 1974. The overall intention of competition law policy has not changed markedly over the past century. Its intent is to limit the role of market power that might result from substantial concentration in a particular industry. The major concern with monopoly and similar kinds of concentration is not that being big is necessarily undesirable. However, because of the control exerted by a monopoly over price, there are economic efficiency losses to society and product quality and diversity may also be affected. Thus, there is a need to protect competition. The primary purpose of competition law is to remedy some of those situations where the activities of one firm or two lead to the breakdown of the free market system, or, to prevent such a breakdown by laying down rules by which rival businesses can compete with each other. The model of perfect competition is the `economic model' that usually comes to an economist's mind when thinking about the competitive markets. As far as the objectives of competition laws are concerned, they vary from country to country and even within a country they seem to change and evolve over the time. However, it will be useful to refer to some of the common objectives of competition law. The main objective of competition law is to promote economic efficiency using competition as one of the means of assisting the creation of market responsive to consumer preferences. The advantages of perfect competition are three- fold: allocative efficiency, which ensures the effective allocation of resources, productive efficiency, which ensures that costs of production are kept at a minimum and dynamic efficiency, which promotes innovative practices. These factors by and large have been accepted all over the world as the guiding principles for effective implementation of competition law.

In India, a High Level Committee on Competition Policy and Law was constituted to examine its various aspects and make suggestions keeping in view the competition policy of India. This

Committee made recommendations and submitted its report on 22nd of May, 2002. After completion of the consultation process, the Competition Act, 2002 (for short, the `Act') as Act 12 of 2003, dated 12th December, 2003, was enacted. As per the statement of objects and reasons, this enactment is India's response to the opening up of its economy, removing controls and resorting to liberalization. The natural corollary of this is that the Indian market should be geared to face competition from within the country and outside. The Bill sought to ensure fair competition in India by prohibiting trade practices which cause appreciable adverse effect on the competition in market within India and for this purpose establishment of a quasi judicial body was considered essential. The other object was to curb the negative aspects of competition through such a body namely, the `Competition Commission of India' (for short, the `Commission') which has the power to perform different kinds of functions, including passing of interim orders and even awarding compensation and imposing penalty. The Director General appointed under Section 16(1) of the Act is a specialized investigating wing of the Commission. In short, the establishment of the Commission and enactment of the Act was aimed at preventing practices having adverse effect on competition, to protect the interest of the consumer and to ensure fair trade carried out by other participants in the market in India and for matters connected therewith or incidental thereto.The various provisions of the Act deal with the establishment, powers and functions as well as discharge of adjudicatory functions by the Commission. Under the scheme of the Act, this Commission is vested with inquisitorial, investigative, regulatory, adjudicatory and to a limited extent even advisory jurisdiction. Vast powers have been given to the Commission to deal with the complaints or information leading to invocation of the provisions of Sections 3 and 4 read with Section 19 of the Act. In exercise of the powers vested in it under Section 64, the Commission has framed Regulations called The Competition Commission of India (General) Regulations, 2009 (for short, the `Regulations'). The Act and the Regulations framed thereunder clearly indicate the legislative intent of dealing with the matters related to contravention of the Act, expeditiously and even in a time bound programme. Keeping in view the nature of the controversies arising under the provisions of the Act and larger public interest, the matters should be dealt with and taken to the logical end of pronouncement of final orders without any undue delay. In the event of delay, the very purpose and object of the Act is likely to be frustrated and the possibility of great damage to the open market and resultantly, country's economy cannot be ruled out. The present Act is quite contemporary to the laws presently in force in the United States of America as well as in the United Kingdom. In other words, the provisions of the present Act and Clayton Act, 1914 of the United States of America, The Competition Act, 1988 and Enterprise Act, 2002 of the United Kingdom have somewhat similar legislative intent and scheme of enforcement. However, the provisions of these Acts are not quite pari materia to the Indian legislation. In United Kingdom, the Office of Fair Trading is primarily regulatory and adjudicatory functions are performed by the Competition Commission and the Competition Appellate Tribunal. The U.S. Department of Justice Antitrust Division in United States, deals with all jurisdictions in the field. The competition laws and their enforcement in those two countries is progressive, applied rigorously and more effectively. The deterrence objective in these anti-trust legislations is clear from the provisions relating to criminal sanctions for individual violations, high upper limit for imposition of fines on corporate entities as well as extradition of individuals found guilty of formation of cartels. This is so, despite the fact that there are much larger violations of the provisions in India in comparison to the other two countries, where at the very threshold, greater numbers of cases invite the attention of the regulatory/adjudicatory bodies. Primarily, there are three main elements which are intended to be controlled by implementation of the provisions of the Act, which have been specifically dealt with under Sections 3, 4 and 6 read with Sections 19 and 26 to 29 of the Act. They are anti- competitive agreements, abuse of dominant position and regulation of combinations which are likely to have an appreciable adverse effect on

competition. Thus, while dealing with respective contentions raised in the present appeal and determining the impact of the findings recorded by the Tribunal, it is necessary for us to keep these objects and background in mind.The bench further dealt with the following important questions;
In order to examine the merit or otherwise of the contentions raised by the respective parties, it will be appropriate for us to formulate the following points for determination:--
1) Whether the directions passed by the Commission in exercise of its powers under Section 26(1) of the Act forming a prima facie opinion would be appealable in terms of Section 53A(1) of the Act?
2) What is the ambit and scope of power vested with the Commission under Section 26(1) of the Act and whether the parties, including the informant or the affected party, are entitled to notice or hearing, as a matter of right, at the preliminary stage of formulating an opinion as to the existence of the prima facie case?
3) Whether the Commission would be a necessary, or at least a proper, party in the proceedings before the Tribunal in an appeal preferred by any party?
4) At what stage and in what manner the Commission can exercise powers vested in it under Section 33 of the Act to pass temporary restraint orders?
5) Whether it is obligatory for the Commission to record reasons for formation of a prima facie opinion in terms of Section 26(1) of the Act?
6) What directions, if any, need to be issued by the Court to ensure proper compliance in regard to procedural requirements while keeping in mind the scheme of the Act and the legislative intent?
Also to ensure that the procedural intricacies do not hamper in achieving the object of the Act, i.e., free market and competition. We would prefer to state our answers to the points of law argued before us at the very threshold. Upon pervasive analysis of the submissions made before us by the learned counsel appearing for the parties, we would provide our conclusions on the points noticed supra as follows:
1) In terms of Section 53A(1)(a) of the Act appeal shall lie only against such directions, decisions or orders passed by the Commission before the Tribunal which have been specifically stated under the provisions of Section 53A(1)(a). The orders, which have not been specifically made appealable, cannot be treated appealable by implication. For example taking a prima facie view and issuing a direction to the Director General for investigation would not be an order appealable under Section 53A.
2) Neither any statutory duty is cast on the Commission to issue notice or grant hearing, nor any party can claim, as a matter of right, notice and/or hearing at the stage of formation of opinion by the Commission, in terms of Section 26(1) of the Act that a prima facie case exists for issuance of a direction to the Director General to cause an investigation to be made into the matter.
However, the Commission, being a statutory body exercising, inter alia, regulatory jurisdiction, even at that stage, in its discretion and in appropriate cases may call upon the concerned party(s) to render required assistance or produce requisite information, as per its directive. The Commission is expected to form such prima facie view without entering upon any adjudicatory or determinative process. The Commission is entitled to form its opinion without any assistance from any quarter or even with assistance of experts or others. The Commission has the power in terms of Regulation 17 (2) of the Regulations to invite not only the information provider but even `such other person' which would include all persons, even the affected parties, as it may deem necessary. In that event it shall be `preliminary conference', for whose conduct of business the Commission is entitled to evolve its own procedure.
3) The Commission, in cases where the inquiry has been initiated by the Commission suo moto, shall be a necessary party and in all other cases the Commission shall be a proper party in the proceedings before the Competition Tribunal. The presence of the Commission before the Tribunal would help in

complete adjudication and effective and expeditious disposal of matters. Being an expert body, its views would be of appropriate assistance to the Tribunal. Thus, the Commission in the proceedings before the Tribunal would be a necessary or a proper party, as the case may be.

4) During an inquiry and where the Commission is satisfied that the act is in contravention of the provisions stated in Section 33 of the Act, it may issue an order temporarily restraining the party from carrying on such act, until the conclusion of such inquiry or until further orders without giving notice to such party, where it deems it necessary. This power has to be exercised by the Commission sparingly and under compelling and exceptional circumstances. The Commission, while recording a reasoned order inter alia should : (a) record its satisfaction (which has to be of much higher degree than formation of a prima facie view under Section 26(1) of the Act) in clear terms that an act in contravention of the stated provisions has been committed and continues to be committed or is about to be committed; (b) It is necessary to issue order of restraint and (c) from the record before the Commission, it is apparent that there is every likelihood of the party to the lis, suffering irreparable and irretrievable damage or there is definite apprehension that it would have adverse effect on competition in the market.

The power under Section 33 of the Act to pass temporary restraint order can only be exercised by the Commission when it has formed prima facie opinion and directed investigation in terms of Section 26(1) of the Act, as is evident from the language of this provision read with Regulation 18(2) of the Regulations.

5) In consonance with the settled principles of administrative jurisprudence, the Commission is expected to record at least some reason even while forming a prima facie view. However, while passing directions and orders dealing with the rights of the parties in its adjudicatory and determinative capacity, it is required of the Commission to pass speaking orders, upon due application of mind, responding to all the contentions raised before it by the rival parties.The Bench further observed that;

The scheme of the Act and the Regulations framed thereunder clearly demonstrate the legislative intent that the investigations and inquiries under the provisions of the Act should be concluded as expeditiously as possible. The various provisions and the Regulations, particularly Regulations 15 and 16, direct conclusion of the investigation/inquiry or proceeding within a "reasonable time". The concept of "reasonable time" thus has to be construed meaningfully, keeping in view the object of the Act and the larger interest of the domestic and international trade. In this backdrop, we are of the considered view that the following directions need to be issued:

A) Regulation 16 prescribes limitation of 15 days for the Commission to hold its first ordinary meeting to consider whether prima facie case exists or not and in cases of alleged anti-competitive agreements and/or abuse of dominant position, the opinion on existence of prima facie case has to be formed within 60 days. Though the time period for such acts of the Commission has been specified, still it is expected of the Commission to hold its meetings and record its opinion about existence or otherwise of a prima facie case within a period much shorter than the stated period.

B) All proceedings, including investigation and inquiry should be completed by the Commission/Director General most expeditiously and while ensuring that the time taken in completion of such proceedings does not adversely affect any of the parties as well as the open market in purposeful implementation of the provisions of the Act.

C) Wherever during the course of inquiry the Commission exercises its jurisdiction to pass interim orders, it should pass a final order in that behalf as expeditiously as possible and in any case not later than 60 days.

D) The Director General in terms of Regulation 20 is expected to submit his report within a reasonable time. No inquiry by the Commission can proceed any further in absence of the report by the Director General in terms of Section 26(2) of the Act. The reports by the Director General should be submitted within the time as directed by the Commission but in all cases not later than 45 days from the date of passing of directions in terms of Section 26(1) of the Act.

E) The Commission as well as the Director General shall maintain complete `confidentiality' as envisaged under Section 57 of the Act and Regulation 35 of the Regulations. Wherever the `confidentiality' is breached, the aggrieved party certainly has the right to approach the Commission for issuance of appropriate directions in terms of the provisions of the Act and the Regulations in force.

In India, The Competition Commission of India is a quesi judicial authority and the case decided by the CCI can only be challenged in the Supreme Court / Appellate Authority of the CCI. The author is of the view that the Government of India should seriously consider giving a full judicial power to the CCI which will not only smoothen the process of litigation but will also make the whole judicial process as the cost and time effective which is one of the most essence for the successful legal system. The time has proven that the Appellate Authority of the CCI has remained only a rehabilitation Centre of the retired judicial officers which only result into delay in getting justice. The Government should also consider giving more financial powers to the CCI so that the financial dependency on the Ministry is curtailed without which the independency of such authority remains only on papers which actually is never been exercised by the CCI and therefore it would be in the interest of the justice that authorities such as CCI is given the financial independency without which functioning of such authority, without the influence of the Government will always continue to be doubted.

What is further important to make the CCI more effective in discharging its judicial responsibility is to decentralize its offices by having its zonal offices in each zones such as North, South, East and West and by opening its centers at each of the metro cities by having at least two judicial members of the commission at each of the offices. What is further expected from the CCI to start the trial and hearing of the cases through video conferences without insisting for the personal appearance of the litigants as well as witnesses, in fact the time has come when the CCI should consider promoting e-filing, e-trail, e-evidences and to make the whole process of litigation paper free so that the litigants and witnesses are not required to travel to the offices of the CCI anymore and that will be in true sense the realization of the reality of the delivering the justice at door step.

REFORMS OF BANKING SECTOR---DEMONITAZATION

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Abstract

Demonetization is a tool to battle Inflation, Black Money, Corruption and Crime, discourage a cash dependent economy and help trade. Its policy of the government by banning Rs. 500 and Rs.1000 currency notes has influenced all almost all the corner of the economy. Its effect on Banking Sector is significant as Bank is a center for channelling the legal tender money to all needs of the society. The biggest beneficiaries of demonetization are Banks. It made the banks to accept the deposits without any cost of promotion and drastically increased liquidity position of the banks. The present study is made out of available literature on post demonetization. It portrayed the effect of demonetization on Banking Sector. It encompassed the recent decision of the central government on Demonetization and its gradual effect on Indian banking sector.

Keywords: Demonetization, Banks, Liquidity, digitization.

INTRODUCTION: Banks are core part of any economy. They channelized the money to the smooth functioning of different sectors. Initiatives of Green Banking, made the banks to transform conventional banking services into modern banking services. The products and services are offered through electronic devices with the help of internet. Now a day, bank services are catered at the finger tip of customers. Surgical Strike on Black Money called 'Demonetization' brought enormous changes in all the sectors of the country. Banks are not exceptional from the influence of Demonetization and it made vibrations in the operations as well as products and services of Banks. It created greater demand to digital banking services where cashless transactions are prioritized. Day to day operations of Banks are affected and found tough in Management of liquidity and Employees. It made greater influence on Management of liquidity and its demand raised by customers in exchanging of their banned currency notes while minimizing risk and maximizing quality of service. At the same time meeting the guidance of Reserve Bank of India was challenging. Demonetization has disturbed the bank operations and made the employees to work under unconditional stress in extended working hours of a day. Most of the banks were not able to discharge other banking services while exchanging the banned currency notes. Hence, thepresent study is made to figure out the influence of demonetization on banking sector. It showcases post demonetization effect on banks and its operations.

Literature review : Nithin and Sharmila (2016) studied demonetization and its impact on Indian Economy. They opined that demonetization has short term negative impact on different sectors of the economy and such impacts are solved when the new currency notes are widely circulated in the economy. They also argued that the government should clear all the problems created due to demonetization and help the economy to work smoothly.Nikita Gajjar (2016) deliberated a study on Black Money in India: Present Status and Future Challenges and Demonetization. She described the framework, policy options and strategies that Indian Government should adapt to tackle with this issue and the future challenges to be faced by the Government.Vijay and Shiva (2016) examined demonetization and its complete financial inclusion. They felt that the rewards of demonetization are much encouraging and the demonetization is in the long-term interest of the country. They expressed that it had given temporary pain but it taught financial lessons. It influenced banking industries to do considerably investment on digitalization of banking services.

Manpreet Kaur (2017) conducted a study on demonetization and impact on Cashless Payment System. He said that the cashless system in the economy has many fruitful benefits less time-consuming, less cost, paper less transaction etc. and he expected that the future transaction system in all the sectors is cashless transaction system. Lokesh Uke (2017) researched on demonetization and its effects in India. He studied positive and negative impact of demonization in India. The study was based on secondary data available in newspaper, magazines etc.The main purpose of demonetization is to eradicate the black money and diminish the corruption. He expressedthat Government of India has become success to some extent. Demonetization had negative impact for a short duration on Indian financial markets. But he said that the real impact will be shown in future. Sweta Singhal (2017) carried out research on Demonetization and E Banking in India. It was a case study to check the awareness level of people of rural areas in India about e-banking facilities and how much it has increased after demonetization. A sample size of 100 was used with ANNOVA test to show that rural people differ much with urban people in their awareness level as well as usage level of e-banking. It was found that urban male youth have higher awareness and usage of e-banking. She felt that the study shall also helpful for banks to improve their e-banking facilities.

OBJECTIVES AND SCOPE OF THE STUDY :

1.To keep a major part of deposits in the form of cash deposits. PSU Banks have a lion share (over 70%) of the deposit and biggest gainers of the rise in deposits, leading to lower cost of funds.

2. Demand for Government Bonds: After sharp rise in deposits on post demonetization, banks started lending such surplus deposits to the RBI under the reverse repo options. PSU Banks, particularly deployed excess funds in government bonds. The return on bond investment is likely to add 15 to 20 per cent increase in the earnings of banks.

3. Sagginess in Lending: lending growth of the banks is considerably less even after demonetization and its impact of growth in the amount of public deposit. Banks haveThe main objective of this paper is to study the impact of demonetization (8th Nov.2016) by the present government on Indian Banking system with special reference to e-cash.

1. To study the influence of demonetization on Banks operations.

2. To find out positive and negative results of post demonetization on Bank operations.

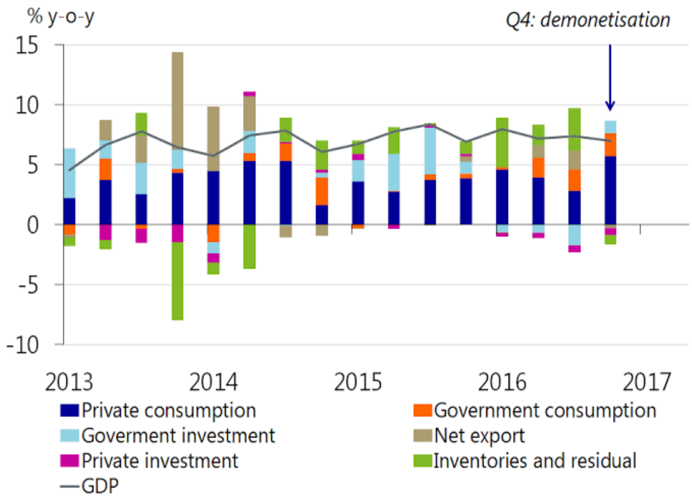
METHODOLOGY: The study is based on Secondary Sources of data. It includes available published literatures such as books, journals, newspapers and relevant government websites. The study tries to look at the extent of demonetization influence on normal banking operations.

Demonetization And Bank Operations:

Demonetization has brought plethora of challenges in additions to the challenges which are already facing by Banks. The influences were short-term and long-term views. In short-term, it disrupted the banks and stressed strongly to carry out bank operations and in long run it helped the banks to pool the deposits without incurring of any cost. Here are four influences of demonetization on Banks.

1. Increase in Deposits: demonetization has increased the deposits in Banks. Unaccounted money in the form of Rs.500 and Rs.1000 were flowing to the Banks and the sizes of deposits have been increased. It helped the banks to grab the deposits and increase their deposits.

2. Fall in cost of Funds: Over the past few months, the deposits are increased. It led the banks t tried to lend the money to the needy group by reducing their interest rates, but it shrunk over the last few months.



Results of Post Demonetization on Bank Operation

There are positive and negative results of Post Demonetization on Bank operations. Both have influenced Banks' liquidity and profitability and employees too.

The following are **positive** results of **demonetization.**

1. Free flow of deposits: Banks have gained deposits substantially after demonetization which they can invest for improving their liquidity and profitability.
2. Improved digital Interface: Improvement in digital tools and equipment to execute bank transactions has avoided cash loss for various reasons like theft, dacoits and misappropriations.
3. People's surplus at Bank: cash is an idle asset which does not yield any income unless kept in a bank. So, demonetization made the people to keep their surplus money in a bank to earn some sort of income.
4. Increased number of Customers: Demonetization has influenced public to come and execute transactions with banks. It made even a non income group people to visit bank and have an account. It increased number of account holders in banks while increasing deposit corpus.Similarly, Demonetization has brought some operational issues to Banks. It disturbed Banks' Employees, Operational Costs and Profitability. The following are **negative** influences of **Demonetization.**

1. Cash Reserve Requirement: 100% CRR on incremental deposits meant that banks did not earn any interest on Rs. 3 Lakh crore of deposits for nearly a fortnight.
2. Waived off ATM Charges: ATM charges were waived off during banned note exchange and banks incurred a loss of Rs. 20 in every transaction.

3. Waived off Merchant Discount Rate: Banks incurred loss of 1% discount charges from merchants on using of every card transaction.
4. Non Selling of Loans: Banks were focused on exchanging currency notes and they were notable to sell any loan products. This made banks to curb their lending activities.
shows that currency in circulation plunged a huge 20.18% in the week to 18 November, after falling marginally in the previous week. This effect is likely to be even larger in the next few weeks
Chart 2 shows how year-on-year growth has slowed in money supply (M3) and bank credit in the week to 11 November (the latest date for which data is available), while bank deposit growth has increased sharply. Note that growth in bank credit and in money supply has been slowing down even before the demonetisation was announced. These trends will be further reinforced in the next few weeks, as the deflationary shock ripples through the economy.

FINDINGS:

I had asked some more questions to the employees, which gave me some more findings mentioned below.
1. In a question where I asked them about highest impacted a/c of bank. 35% employees had opinion about the savings a/c, 30% had about cash deposit and withdrawal a/c and 20%, 8% and 7%respectively for Current a/c, cash credit a/c and other a/c which includes loan a/c.
2. More over in a question of opinion for „Demonetization- a tool for curbing the black money". Almost 52% employees said Yes ,demonetization is a good tool for curbing black money. Some of them had explained that Black money is not only in form of cash. It may be in form of property, gold, land etc. If we are purely talking about black money in form of cash, then it may be a good tool.
3. Further I asked about people"s behaviour either to keep money at home or bank. Almost 69% employees said that gradually people are now moving towards banks. Further they said so many ladies are there. Who came first time to bank and seen the work of bank and learned cash deposit and all other regular tasks.

DATA ANALYSIS AND INTERPRETATION:

Although a lot of reforms have been made in the public sector banks, still there is a need to modify the policies of public sector banks. At present they are facing many internal and external challenges, which are hindering their performance, but these banks can convert these challenges into opportunities with care and some modifications.

1. competition: In this globalize world, banks are facing severe competition internally as well as externally. To stay ahead in the race, public sector banks will have to leverage technology for innovative product development.

2. Greater customer-orientation: Greater customer-orientation is the only way to retain customer loyalty and stay ahead of competition. Public sector banks need to bring about total customer orientation not only in their products/services but their policies and strategies should also be customer focused.

3. Technology: In the deregulated environment managing a wide range of products and offering top class customer services will create new challenges. In this context, technology will be the key to reduce transaction costs, offering customized products and managing risks. This is compelling banks to provide internet banking facilities and increasingly customers are demanding fast, convenient and glitch free banking services. Our public sector banks are lagging behind in technology when we compare them with their counterparts. There is a need for planning and co-ordination at all levels of organization

Table IX.1: Payment System Indicators – Annual Turnover

Item	Volume (million)			Value (₹ billion)		
	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16
1	2	3	4	5	6	7
Systemically Important Financial Market infrastructures (SIFMIs)						
1. RTGS	81.1	92.8	98.3	734,252	754,032	824,578
Total Financial Markets Clearing (2+3+4)	**2.6**	**3.0**	**3.1**	**621,570**	**672,456**	**721,094**
2. CBLO	0.2	0.2	0.2	175,262	167,646	178,335
3. Government Securities Clearing	0.9	1.0	1.0	161,848	179,372	183,502
4. Forex Clearing	1.5	1.8	1.9	284,460	325,438	359,257
Total SIFMIs (1 to 4)	**83.7**	**95.7**	**101.4**	**1,355,822**	**1,426,488**	**1,545,672**
Retail Payments						
Total Paper Clearing (5+6+7)	**1,257.3**	**1,195.8**	**1,096.4**	**93,316**	**85,439**	**81,861**
5. CTS	591.4	964.9	958.4	44,691	66,770	69,889
6. MICR Clearing	440.1	22.4	0.0	30,943	1,850	0
7. Non-MICR Clearing	225.9	208.5	138.0	17,682	16,819	11,972
Total Retail Electronic Clearing (8+9+10+11+12)	**1,108.3**	**1,687.4**	**3,141.6**	**47,856**	**65,366**	**91,408**
8. ECS DR	192.9	226.0	224.8	1,268	1,740	1,652
9. ECS CR	152.5	115.3	39.0	2,492	2,019	1,059
10. NEFT	661.0	927.6	1,252.9	43,786	59,804	83,273
11. Immediate Payment Service (IMPS)	15.4	78.4	220.8	96	582	1,622
12. National Automated Clearing House (NACH)	86.5	340.2	1,404.1	215	1,221	3,802
Total Card Payments (13+14+15)	**1,261.8**	**1,737.7**	**2,707.2**	**2,575**	**3,325**	**4,484**
13. Credit Cards	509.1	615.1	785.7	1,540	1,899	2,407
14. Debit Cards	619.1	808.1	1,173.5	955	1,213	1,589
15. Prepaid Payment Instruments (PPIs)	133.6	314.5	748.0	81	212	488
Total Retail Payments (5 to 15)	**3,627.4**	**4,620.9**	**6,945.2**	**143,748**	**154,129**	**177,752**
Grand Total (1 to 15)	**3,711.1**	**4,716.6**	**7,046.6**	**1,499,570**	**1,580,617**	**1,723,425**

4. Management of NPA: After the global financial turmoil in 2008, public sector banks begin the New Year with a lurking fear that their Non Performing Assets (NPA) would go up with their portfolios coming under severe stress. There is already a visible strain on consumer, credit card and vehicle loan portfolios and many banks have taken conscious decision to scale down their advances to risky sectors. The ongoing financial crisis has had its toll on export-related sectors like IT, textile and SMEs. This may indirectly impact banks' asset quality. There is, therefore, a pressing need to ensure adequate risk-management mechanisms to overcome this challenge

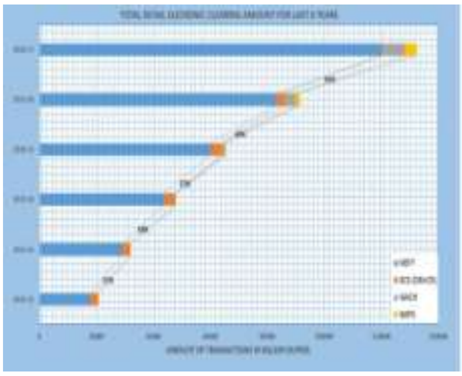
5. NEW BASEL CAPITAL ACCORD: Basel II Accord emphasizes on three Pillars viz., Capital Adequacy, Supervisory Review and Market Discipline. The new Accord will increase the level of capital that is required for the banking institutions in the region, mainly owing to the new operational risk charge. Measuring credit, market, operational, interest rate, liquidity and other risks in compliance with the new Accord will not be an easy task for either bank managers or supervisory authorities, where there is a lack of ratings agencies and the majority of individual claims remain unrated. Further, banks and supervisors will be required to invest considerable resources in upgrading technology, including adequate data access, technical capacity and human resources to meet the minimum standards in the new Accord.

6. ISSUE OF HRM: Different committees related to public sector banks have enumerated a number of problems relating to HRM in public sector banking such as over manning, low man power productivity, indiscipline, restrictive practices, lack of management commitment to training etc. Banks need to build a service culture using technology in a customer friendly manner. This requires reorienting HRD strategies in public sector banks on an urgent basis and banks need to emphasize right size, right skills and right attitude.

7. Public perception: At last, it is the public perception that will decide the future of public sector banks. The perception of customers regarding public sector banks is very poor. Public sector banks should improve their perception by all means to remain competitive in the market.

8. Political interference: Over the year the most serious damage to the banking system has been done by the political and administrative interference in the credit decision making. Some political leaders for their political reasons have used write-off system. It should be checked.

The SBI banks consist of eight independently capitalized banks: seven associate banks, and SBI itself. The SBI is the largest commercial bank in India in terms of assets, deposits, branches, and employees and has 13 head offices governed each by a board of directors under the supervision of a central board. It was originally established in 1806 when the Bank of Calcutta (latter called the Bank of Bengal) was established, and then amalgamated as the Imperial Bank of India after merger with the Bank of Madras and the Bank of Bombay. The shares of Imperial Bank of India were sold to the RBI in 1955. Nationalized banks refer to priate sector banks that were nationalized (14 banks in 1969 and 6 in 1980) by the Central Government. Unlike SBI banks, nationalized banks are centrally governed by their respective head offices. Thus, there is only one board for each bank and meetings are less frequent. In 1993, Punjab National Bank merged with another nationalized bank, New Bank of India,



so the number of nationalized banks fell from 20 to 19. Regional rural banks account for only 4% of total assets of scheduled commercial banks. Scheduled cooperative banks are further divided into scheduled urban cooperative banks and scheduled state cooperative banks. As at the end of March 2007, the number of scheduled banks is as follows: 28 pubic sector banks, 17 old private sector banks, 8 new private sector banks, 29 foreign banks, totaling 82 scheduled commercial banks. Since 1

CONCLUSION : So far, it can be said that this is a historical step by the Modi Govt.and should be Supported by all. This decision of govt. Will definitely fetch results in the long term. From an equity market perspective, this move would be positive for sectors like Banking and E-wallet firms. This move can lead to improved tax compliance, better fiscal balance, lower inflation, lower corruption, complete elimination of fake currency and another stepping stone for sustained economic growth in the longer term.

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JOB SATISFACTION OF BANK EMPLOYEES WITH SPECIAL REFERENCE TO SELECTED NATIONALIZED BANKS IN MUMBAI AND THANE DISTRICT

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Abstract

The current study is based on the job satisfaction of the middle-aged bank employees working in nationalized banks in Mumbai and Thane district. Through this study researchers found out about the challenges faced by middle aged bank employees and strategies they use to overcome the same and job variables. The objectives of the present study were: [1] To ascertain challenges faced and strategies to overcome the challenges among the currently working middle aged bank employees of selected nationalized banks. [2] To compare the selected nationalized bank in relation to: a) overall of job satisfaction and job variable b) gender (Male and Female). The sample included 40 middle aged participants (20 males & 20 females) from four randomly selected nationalized banks namely, Central bank of India (CBI), State bank of India (SBI), Dena bank(DB) and Bank of Maharashtra (BOM). The age of majority of the participants ranged between 51-60 years (62.5%). Substantial majority of the participants were married (87.5%) and from general/ open category (90%). Most participants were Hindu (95%) and graduate (67.5%). Varied participants were positioned as Bank teller (40%), financial manager (27. 5%); loan officer (22.5%). Little less than half of the participants had above 25 years of experience (47.5%) with a monthly income ranging between 40001-60000 (32.5%) and 60001-80000 (35%). A semi-structured questionnaire was divided into three parts. a) the challenges they face regarding infrastructure, services provided, workload, travel/ transportation and wages/ salary and also strategies to overcome the same. b) the five-point rating scale of the job variables. The results revealed that little less than a quarter of the participants indicated that the infrastructure was good (20%) almost similar number of participants said that the services provided were good (25%). Whereas, little less than one- third participants mentioned that the workload was very heavy (35%) and almost similar number of participants mentioned that the transport facility was very inconvenient (37.5%). Astonishingly, little more than quarter of the participants said that their salary was very satisfactory (30%). Overall employees working in Central Bank of India scored highest (3670) and Dena Bank scored the lowest (3314) in the Job satisfaction. Whereas, Bank of Maharashtra scored highest (1214) and Dena Bank scored lowest (923) in the area of Job Variable. Therefore, the overall highest score (2549) was obtained by Central Bank of India employers and lowest (2391) by the Dena Bank employers. The review of literature shows that the services have become better over the years but, the current study shows that very few participants finds the services satisfying (10%). It also shows that the workload is too much and leads to burnout which is like the result of the current study. Also, males have been found more satisfied (4950) in their jobs than females (4881).

Introduction: Service sector is the lifeline for the social economic growth of a country. It is today the largest and fastest growing sector globally contributing more to the global output and employing more people than any other sector. For most countries around the world, services are the largest part of their economy. The real reason for the growth of the service sector is due to the increase in urbanization, privatization and more demand for intermediate and final consumer services. Availability of quality services is vital for the wellbeing of the economy. In advanced economies the growth in the primary and secondary sectors are directly dependent on the growth of services like banking, insurance, trade, commerce, entertainment, social and personal, etc. The U.S. and other developed economies are now dominated by the services sector, accounting for more than two-thirds of their Gross Domestic Product (GDP). (shodhganga.inflibnet.ac.in/bitstream/10603 /3077/9/09_chapter%201.pdf)

Banking sector in India The origin of banking in India is very ancient. In India, the banking system is as old as early Vedic period. The book of Manu contains reference regarding deposits advances, pledge policy of loan, and rate of interest. From the beginning of 20th century banking has been so developed that in fact, has come to be called “LIFE BLOOD” of trade and commerce. 1 In India, banking has developed from the primitive stage to the modern system of banking in a fashion that has no parallel in the world history. The origin of the Indian banking industry may be traced to the

establishment of bank of Bengal in Calcutta (now Kolkata) in 1786. The banking in India was controlled and dominated by the presidency banks, namely, the bank of Bombay, The bank of Bengal and the bank of Madras-which later on merged to form the imperial bank of India. To ensure better coverage of banking needs of larger parts of economy and the rural constituencies, the Government of India nationalized the Imperial bank which was established in 1921 and transformed it into the State Bank of India with effect from 1955. (Sankar, 2003.)
(www.inflibnet.ac.in/bitstream/10603/11587/10/10_chapter%203.pdf) Retrieved Date: 6th August 2017

Factors of Job Satisfaction The results of exploratory factor analysis reveal that eight factors, i.e. *Workplace environment, Supervision, Cooperation from peers, Work discrimination, Employee acceptance, Work allocation, Job security, and remuneration* are extracted as important determinants of job satisfaction and highly influence the employee perception. Since liberalization, banking sector is considered to be one of the major recruiters. People prefer bank as a career and social status. In order to further improve the satisfaction level of bank employees. Bank management should provide regular feedback to the employees about their performance. In the absence of feedback, employees will be discouraged because they do not know how they are doing or may believe their contribution is unacknowledged. The most important factor affecting employee satisfaction with their job is their *immediate supervisor*. Many employees dislike their supervisors though they like the work they do. To make employees happier in their position stay longer and most important to ensure that customers receive better services, banks must start improving the management skills of supervisors. (Kaur, 2015) (http://www.emeraldinsight.com/doi/pdfplus/ 10.1108/IJBM-10-2013-0117) Retrieved Date-18-07-17 There is a significant impact of job satisfaction on performance of employees in public sector organizations. Employees who are in higher levels tend to derive more satisfaction from intrinsic rewards while, employees who are in lower levels tend to derive more satisfaction with extrinsic rewards. Higher level employees are more satisfiers than the lower level employees in public sector organizations. Employees who are in highly competitive industries are more satisfied with their jobs than employees who are in less competitive banks. Professionals and Managers are willing to extend more effort to the job than non- managers. Older employees are more satisfiers than the younger employees in public sector organizations. High experienced employees tend to satisfy with their jobs than the less experienced employees in public sector organizations. Sex has no significant impact on job satisfaction. Satisfied workers tend to less absenteeism to the work than low satisfied workers. High satisfaction leads to less turnover of employees in public sector organizations. Financial benefits play an important role to satisfy, retain and attract employees in public sector. Satisfied employees have high commitment to the job than dissatisfied employees. http://wwwbiz.meijou.ac.jp/SEBM/ronso/no9_1/08_PUSHPAKUMARI. pdf)Retrieved Date: 5th October 2017.In 2010, Goldman Sachs, which had had lower rankings in earlier years, became the most visible bank, as the insider trading scandal involving one its directors – Rajat Gupta – broke, and the bank was fined $500 million for fraud. The majority of analysts and bloggers are convinced that banks simply missed the opportunity for jumping on the social media bandwagon. Banks must start to take the social media industry seriously and develop a clear strategy. The challenge is the “how to” in such a highly regulated industry. In less than a decade the daily business will be done from anywhere at any time on mobile devices. Any services need to adjust to these demands and be available accordingly. Due to security, compliance, and risks reasons, the majority of banks have made a pass through on this communication channel so far but social media allows banks to connect with their customers in a completely new manner. Some banks have already started using social media for their services. While some are focusing on providing information about products and trying to generate leads, others are providing transactional services.

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Perceptions and Expectations

Employees views: Indian banking sector have seen a tremendous change over the years.

The products have become much more varied and the services have become better. Still there are a lot of problems. Long queues in ATM machines are common.

Employees in banks are not completely equipped to solve all problems of customers.

Consumer's views: Consumer complaints are normally handled by Banking codes and Standards Board of India (BCSBI) or the Banking Ombudsman Scheme. BCSBI was registered as an autonomous and independent body under the Societies Registration Act 1860, in Mumbai on 2006 to ensure ethical conduct of operations by banks. This talks about improving the services and making the consumers aware of their rights.

Consumers can Approach them for any complaint redressal. If it is still not resolved the consumers can approach the consumer court. The banking codes and standards Board of India annual report 2007-08 says that maximum complaints are in the handling of credit and debit cards followed by deposit accounts, so banks have to take care of these departments.

Also the overall pre and post sales services in banking sector has to be improved along with giving a personal touch to the overall service.

Employer's views*:* Managers in the service sector are under increasing pressure to demonstrate that their services are customer focused and that continuous performance improvement is being delivered. This information then assists a manager in identifying cost-effective ways of closing service quality gaps and of prioritizing which gaps to focus on, a critical decision given scarce resources.

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it. There are a number of different "definitions" as to what is meant by Service quality. One that is commonly used defines service quality as the extent to which a service meets customer needs or expectations. Service quality can thus be defined as the difference between customer expectations of service and perceived service. If expectations are greater than perception, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs. (http://www.iosrjournals.org/iosr-jef/papers/icsc/volume-2/18.pdf)Retrieved Date: 21/7/2017

Challenges & Barriers in Relation to Bank

Deregulation: This continuous deregulation has given rise to extreme competition with greater autonomy, operational flexibility, and decontrolled interest rate and liberalized norms and policies for foreign exchange in bank banking market .The deregulation of the industry coupled with decontrol in the interest rates has led to entry of a number of players in the banking industry. Thereby reduced corporate credit off which has resulted in large number of competitors battling for the same pie. (5th January,2015 Banking tech).

Modified new rules: As a result, the market place has been redefined with new rules of game. Banks are transforming to universal banking, adding new channels with lucrative pricing and freebees to offer. New channels squeezed spreads, demanding customers better service, marketing skills heightened competition, defined new rules of the game pressure on efficiency. Need for new orientation diffused customer loyalty. Bank has led to a series of innovative product offerings catering to various customer segments, specifically retail credit.

Efficiency: Excellent efficiencies are required at banker's end to establish a balance between the commercial and social considerations bank need to access low cost funds and simultaneously improve the efficiency and efficacy. Owing to cut-throat competition in the industry, banks are facing pricing pressure, have to give thrust on retail assets.

Diffused customer loyalty: Attractive offers by MNC and other nationalized banks, customers have become more demanding and the loyalties are diffused. Value added offerings bound customers to change their preferences and perspective. These are multiple choices; the wallet share is reduced per bank with demand on flexibility and customization. Given the relatively low switching costs; customer retention calls for customized service and hassles free, flawless service delivery.

Misaligned Mindset: These changes are creating challenges, as employees are made to adapt to changing conditions. The employee is rising to change and the seller market mindset is yet to be changed. These problems coupled with the fear of uncertainty and control orientation. Moreover, banking industry is accepting the latest technology but utilization is far below from satisfactory level.

Cyber-crime: It is now exceptional to read about a bank robbery where criminals have entered into a bank branch and physically taken money out of the bank building. The introduction of more effective security systems, such as bullet proof windows & barriers and closed-circuit television, means that only the foolhardy would risk trying to steal from a branch.

More stress testing: One of the conclusions reached after the banking crisis of 2008 is the notion that banks need to have greater capital reserves to avoid being too big to fail. As a consequence, banks have undergone stress tests and required to hold every greater amount of capital. (5th January,2015 Banking tech.)

Strategies/ Solutions/ Suggestions in Relation to Bank

Attract & Retain clients: Banks and financial services firms have to stand out in crowd by offerings customers something extra.

Market insights: Sullivan's company help financial institutions with business strategy, planning and marketing. "make an emotional connection with the consumer and let them know you understand their financial needs. Then come at them with solution-based thinking, not product pushing'. The financial service providers that help customers take ownership of their finances and teach them to become better money managers will have larger client bases says Sullivan.

Know your customer: In a rapidly changing world, financial services providers must be aware that their customers are changing too. Customers are savvier and more aware of their finances than they were five years ago, according to Sullivan. The best providers engage customers and learn how their needs are evolving. If a bank or a business has not looked at its market or its customers to learn "what is going on with them in the last year, you don't know your customers." Sullivan said.

Promote confidence in economy: The economic crisis that began in 2008 is still very fresh in customer's minds. Large financial institutions collapsed and the government bailed out troubled banks. The stock market lost value and in much of the country the housing market eroded. Now financial advisers are called on to provide factual evidence to customers that the economy ids getting stronger.

Use technology that customers expect: "Technology has changed the expectations consumers and small businesses have of their bank", Sullivan said. Clients use information on internet to compare financial service firms. Many more customers are comfortable with managing their money online and they expect user-friendly tools to do so. E-mail messaging and chat interaction may now be primary ways financial advisers communicate with clients. Companies must read to changes in technology to keep reaching customers in the most effective ways.

Watch your reputation: The financial services world is like high school in some ways: Reputations can be difficult to control or change. At the moment, consumers are not forgiving many of the companies that were front and center during the economic crisis.

Guidelines or Recommendations in Relation to Banks

1. To encourage competitive culture in banks, seniority based promotion policies should be revised.
2. The bank needs to increase employee's pay satisfaction by introducing a differential pay system based on merit and effort.
3. Money alone is not enough to motivate employees in today's work force. Besides financial motivation employees such as involving them in decision making -process, autonomy in work which ensures a healthy environment. Employees should be encouraged to commit themselves to create a dedicated workforce for banking institution.
4. Special schemes related to pension, gratuity, retirement, and other related benefits to enhance the employee's sense of security as well as satisfaction.

The banking environment of today is rapidly changing and the rules of yesterday no longer applicable. the corporate and the legal barriers that separate the various banking, investment and insurance sectors are less well defined and the cross-over are increasing. As a consequence, the marketing function is also changing to better support the bank in the dynamic market environment. The key marketing challenge today is to support and advice on the focus positioning and marketing resources needed to deliver performance on banking products and services.

Rationale of the Study

Why job satisfaction? Banks need to create and develop the services which can satisfy the employee needs. Employee satisfaction is an important construct in today's market and it is directly influenced by service quality given to the employee. Therefore, the study has been carried out to analyze the employee’s perception of service quality in public sector nationalized bank and its impact on employee satisfaction. (Smadi, 2005)

Why middle adults? middle adult is concerned with forming and guiding the next generation. They are called as a “sandwich generation” as they are the responsible caregivers for both younger & older generations. They are the ones who had faced many challenges, struggled and has also gained expertise in their field. It is interesting to study their job satisfaction level and their perspective towards their own work. (https://www.cliffsnotes.com/study...age-4565/crisis-in-middle-adulthood-age-4565)

Why males and females Banks, as development catalysts, need to evaluate both the male and female employees, in a timely manner to enhance their effort to work. Also, to make a meaningful comparison between the male and female, and their expectations and perceptions regarding the public-sector bank. (Judge,2000)

Why Nationalized Banks? Nationalized bank has helped in enhancement of trust among the people in banking as government owned bank are unlikely to fail. Nationalized banks have fair distribution of credits. Nationalized bank led the development and growth of banking activities in India with particular reference to the state of Punjab.

Objectives of the Study

Objective 1: To ascertain challenges faced and strategies to overcome the challenges among the currently working middle aged bank employees of selected nationalized banks.

Objective 2: To compare the selected nationalized bank in relation to:

a) characteristics of job satisfaction [a] perception, [b] aspiration, [c] importance;
b) job variables
c) overall of job satisfaction and job variable
d) gender (male and female)

METHODOLOGY

Research Design: The research design applicable to this study was exploratory research design. Exploratory research is typical when a research is examining a new interest, when the subject of the study is relatively new and unstudied, or a researcher seeks to test the feasibility of understanding a more careful study. (Babbie,2009). The main purpose of exploratory research design is that of formulating a problem for more precise investigation or of developing a working hypothesis from the operational point of view. The major emphasis on this research design is on the discovery of ideas and insights. (Kothari, 2011). The current study was an exploratory research as it seeks to study relatively unexplored area that is expectations and perceptions of middle adults (45-65 years) regarding public sectors banks.

Sample Size: Total number of sample was 40 middle aged adults (20 males & 20 females) from four randomly selected nationalized banks namely, Central Bank of India, State Bank of India, Bank of Maharashtra and Dena Bank.

Sampling Technique

Judgemental/purposive sampling technique was used.

Purposive sampling is where appropriate selection of sample is done on the basis of the researcher's knowledge of the population, its element and the nature of the research aim.(Rubin & Babbie, 2008).

Convenience sampling (also known as grab sampling, accidental sampling, or opportunity sampling) is a type of non-probability sampling that involves the sample being drawn from that part of the population that is close to hand. That is, a sample population selected because it is readily available and convenient, as researchers are drawing on relationships or networks to which they have easy access. (Thornhill,2012)

Inclusion criteria for participants

Participants from middle adulthood ranging from 40-65years

Rationale: Middle adulthood is the time of increasing interest in transmitting values to next generation, increased reflection on meaning of life. Has financial stability, are the responsible caregivers for both younger & older generations. They are the ones who possibly have already faced many struggles and has also gained expertise in their field. It is interesting to study their job satisfaction level as they individually being male and female have different roles to perform. (Rai,2015)

Nationalized banks were selected

Rationale: In order to have adequate social control, greater mobilisation of deposits, accessible to greater amount of areas including, balanced regional development, greater control by reserve bank, new schemes, stability in banking structure etc.

Participants with minimum experience of 10years in the important sector and minimum of 2years in same bank

Rationale: As they will be updated with flaws if any rules, factors, working system of bank etc. Might have faced and have overcome with experience issues held in past or recently. Minimum 10 years as they will know the overall working of this sector in and out with the changing times. Minimum 2 years of experience in the current bank in order to get use to a particular working environment with timely changes and this would enhance letting them get used to it.

There was no discrimination on the basis of caste, community, socio-economic status & religion

Rationale: Research is for all with no bias to any such factors mentioned above as main aim is a comparative study on male and female employees.

No participant was discriminated on the basis of gender

Rationale: Research is open to both genders and equal number of males and females are included in sample as study examines difference in level of job satisfaction in them.

Participants residing in Mumbai and Thane district

Rationale: Due to feasibility factor participants are included from Mumbai and Thane district.

Exclusion criteria for participants

Private / non-nationalized banks

Rationale: As government holds hardly any portion in shares and does not have that major right in comparison and high risk of job security and period of time.

Participants belonging in early & late adulthood

Rationale: Early adults includes the new comers who in comparison have less knowledge and experience wherein on the other side late adults include the older people who are almost on the verge to retirement who have experience but may not be updated up to date.

Participants having less than 10years of experience in the same bank

Rationale: As changing careers and transferred ones may take time to adjust and fully know the bank with all working systems and surrounding, rules, regulations, outcomes. facilities etc.

Participants belonging to non-managerial position

Rationale: As this is first kind of research and secondly, they may not be knowing English so well and our tool is totally in English so result could have fluctuated.

Operational Definitions

Middle Age: The period between early adulthood and old age, usually considered as the years from about 45 to 65. https://en.m.wikipedia.org

Bank: A person or company carrying on the business of receiving money and collecting draft for customers subject to the obligation of honouring cheques upon them from time to time by the customers to the extent of the amounts available on their current accounts. (Goldthwaite,1995)

Job Satisfaction: Job satisfaction is the level of contentment of employees feel about their work which can affect performance www.managementtextbooks.com

Sample Characteristics

Four randomly selected nationalized banks were included for research namely, Central Bank of India, State Bank of India, Bank of Maharashtra and Dena Bank. The age of majority of the participants ranged between 51-60 years (62.5%). Substantial majority of the participants were married (87.5%) and from general/ open category (90%). Almost all the participants were Hindu (95%). Majority of the participants were graduate (67.5%). Little more than one-third of participants were at the position of Bank teller (40%), little more than quarter of the participants were financial manager (27. 5%).Whereas, little less than quarter of the participants were loan officer (22.5%). Little less than half of the participants had above 25 years of experience (47.5%). Almost one-third of the participants had monthly income of 40001-60000 (32.5%) and 60001-80000 (35%). (Refer to Table 2.1)

Process of Initiating the Research

Four researchers accomplished the research. The researchers were then asked to list down the topics. The researchers generated a list of research topics after searching for ideas from internet, previous thesis, articles, journals etc from which one broad category was selected. The researchers thought of a specific area from the broad category with the help of their research guide on which they carried out the research. Various topics were short listed and from those the researchers selected bank as their research topic and started working on collecting articles and information on the topic for making the review of literature.

Table No 2.1

Sample Characteristics of the Participant

Sample Characteristics	**f (%) n=40**
Age range	
31-40	4(10%)
41-50	11(27.5%)
51-60	25(62.5%)
Gender	
Males	20(50%)
Females	20(50%)
Marital status	
Married	35(87.5%)
Unmarried	2(5%)
Widow	3(7.5%)

Social status	
General	36(90%)
OBC	3(7.5%)
Any other	1(2.5%)
Religion	
Hindu	38(95%)
Christian	1(2.5%)
Sample Characteristics	**f (%) n=40**
Dwelling status/Residence	
Rented	4(10%)
Owned	33(82.5%)
Quarters	4(10%)
Educational qualification	
S.S.L.C	2(5%)
Graduate	27(67.5%)
P.G.	11(27.5%)
Present position	
Financial Analyst	3(7.5%)
Bank Teller	16(40%)
Loan Officer	9(22.5%)
Financial Manager	11(27.5)
Assistant Manager	1(2.5%)
Any other	1(2.5%)
Number of members in the family	
Below 4	16(40%)
4-6	23(57.5%)
7-9	0
Above 9	1(2.5%)
Experience in years	
5-10	7(17.5%)
11-15	3(7.5%)
16-20	5(12.5%)
20-25	6(15%)
Above 25	19(47.5%)

Monthly income

20000-40000	3(7.5%)
40001-60000	13(32.5%)
60001-80000	14(35%)
80001-100000	7(17.5%)
More than a lakh.	3(7.5%)

Development of tool and Methods of Data Collection: Self-constructed face to face questionnaire method was used for the study. Part of the tool was constructed, and part of the tool was standardized tool. Rationale questionnaire was used to measure the level of job satisfaction of employees. The participants could, thereby read and reflect on the statements in the questionnaire and provided ratings for the same, questionnaire method was easy to administer.

Description of the tool

Tool -A: Proforma: A Proforma was the form of a questionnaire constructed to obtain the necessary background information of the participants for the study. The background information included corresponds with the inclusion and exclusion criteria, aiding selection. The information tapped for the inclusion criteria was participants age, gender, present position, marital status, years of experience. Some general information solicited was educational qualification, income, religion, etc. The rationale for distributing the proforma was to choose suitable participants for the study. The questionnaire was acculturated to suit the purpose of the study. There were 18 questions in the proforma.

Tool -B: Job Satisfaction

Description of the Tool -Several aspects of characteristics connected with the participants job, having relationship with job satisfaction were presented in the questionnaire. For each of the characteristics, the participants were requested to give three ratings, which symbolized their (a) perception (b) aspiration and (c) importance, about the characteristic in their job. The participants were supposed to give their ratings for each of the job characteristic in respect of questions a, b, and c. each question was rated on a scale of 5 to 1. Encircling a lower valued number represented the lower significance the respondent attributed to a particular job's characteristics and encircling a higher number represented higher significance, the employee attributed to a job characteristic.

There were total 20 questions in Tool -B. The questionnaire contained questions pertaining to socio-economic status, job security, personal growth and development, investment and responsibility among employees, work environment. Under socio-economic status there were 4 questions, job security - 3 questions, personal growth and development – 6 questions, involvement and responsibility - 3 questions, work environment – 4 questions.

Analysis of the Tool – Job Satisfaction: The scores for each of the 20 job characteristics were calculated from all the three ratings that is perception aspiration and importance. Total score from tool B was calculated. The result was with highest and lowest score from job satisfaction characteristics

Analysis of the Tool – Job Satisfaction Variables: The final scores of job satisfaction variables were summed up of all the four nationalized banks – State Bank of India, Dena Bank, Central Bank of India, Bank of Maharashtra.

Procedure of Data Collection: The study was conducted in three stages. In the First stage, 40 middle adults (20 males & 20 females) from 4 different nationalized banks namely, State Bank of India, Bank of Maharashtra, Central Bank of India and Dena Bank were selected. Background information was filled by the participants through which the inclusion criteria was measured. In the second stage, they were given a structured questionnaire. In the third stage, result was analysed keeping in mind responses of set of 10 (05 males & 05 females) from each bank concerning their expectation and perception regarding quality of job in banking sector.

Step by Step Data Collection: The reference materials were collected from books, journals, scholars' articles and Google. The tool was formulated keeping in mind the review of literature and pilot testing. Structured questionnaire was finalized. Based on feedback and suggestions provided by research guide the adding, deleting, reframing and substituting items/ words were done. Once the modification was done, Consent letter was approved by the research guide to conduct the research. The tool was first pilot tested on 2 middle adults (1 males & 1 females) i.e., between 40-65 years of age, working in nationalized banks and having at least 10 years of experience. The changes were

made as per the feedback and suggestions with consensus of research guide. Final questionnaire was developed for data collection. Consent letter was approved by the research guide which was used to get the permission from the regional office to conduct the research in the banks and later the same letter was used to get the permission from bank managers. List of middle adults was made by the researchers using purposive and judgmental techniques. Participants were briefed about the purpose of the study and the time required for the study. Instructions were provided in order to elicit honesty and genuineness. The instructions were focused on how each individual should entitle to his/ her own opinion and perception and hence should feel free to express the same. Total 40 participants who fulfilled the criterion and gave the consent to participate were included in the study. Initially researcher had face to face questionnaire with the participants. After data collection, data was analysed using qualitative and quantitative statistical procedure.
Lastly, the result was formulated.

Plan of Analysis: Data was analysed both quantitatively and qualitatively. The plan of analysis was done for different objectives of the study. The responses from all the four banks (5 males and 5 females from each bank) were quantitatively analysed; qualitatively- calculated; percentages were drawn. The responses of the participants and their perception, aspiration and importance regarding their job satisfaction were in some areas they are satisfied and in some areas, they are not. For e.g. Satisfied in the area of office infrastructure but may not be satisfied with the salary.

RESULT AND DISCUSSION

Objective 1: To ascertain challenges faced and strategies to overcome the challenges among the currently working middle aged bank employees of selected nationalized banks.

Infrastructure: When the selected nationalized bank employees were asked regarding infrastructural challenges,little less than a quarter of the participants indicated that the infrastructure was good (20%). However, few of the participants mentioned it to be fair (17.5%) and almost similar number of participants said that the infrastructure needs improvement (15%). Astonishingly very few participants said that the infrastructure was Excellent (12.5%). (Refer: Table 3.1)

Table No. 3.1: *Challenges regarding infrastructure faced by middle aged employees (n=40) from selected nationalized banks*

Infrastructure as a challenge	**SBI* (n=10)**		**BOM** (n=10)**		**CBI*** (n=10)**		**DN**** (n=10)**		**TOTAL f (n=40)**	**(%)**
	f	(%)	f	(%)	f	(%)	f	(%)		
Good	4	40	0	0	2	20	2	20	8	20
Fair	3	30	1	10	1	10	3	30	7	17.5
Need improvement	2	20	1	10	1	10	1	10	6	15
Excellent	1	10	2	20	2	20	0	0	5	12.5
Very good	0	0	2	20	1	10	1	10	4	10

SBI * STATE BANK OF INDIA
BOM** BANK OF MAHARASHTRA
CBI*** CENTRAL BANK OF INDIA
DN**** DENA BANK

Services provided: When asked regarding the services provided by bank the quarter of the participants stated that the services were good (25%). Whereas, surprisingly very few participants mentioned that the services were satisfying (10%) and does not require any improvement (10%). (Refer Table 3.2)

Table 3.2: Challenges faced regarding services provided, according to the selected employees (n=40) from selected nationalized banks

Services provided as a challenge	SBI* (n=10) F	(%)	BOM** (n=10) f	(%)	CBI*** (n=10) f	(%)	DN**** (n=10) f	(%)	TOTAL f (n=40)	(%)
Good	2	20	3	30	3	30	2	20	10	25
Satisfying	2	20	0	0	1	10	1	10	4	10
No improvement needed	2	20	0	0	0	0	1	10	4	10
Excellent	2	20	0	0	1	10	0	0	3	7.5

Workload: About the workload, little less than one-third of the participants mentioned that the workload was very heavy (35%). While similar number of the participants stated that the workload was heavy (32.5%). (Refer Table 3.3)

Table 3.3: *Challenges faced regarding workload, according to the selected employees (n=40) from selected nationalized banks.*

Workload as a challenge	SBI* (n=10) f	(%)	BOM** (n=10) f	(%)	CBI*** (n=10) f	(%)	DN**** (n=10) f	(%)	TOTAL f (n=40)	(%)
Very heavy work	7	70	4	40	2	20	1	10	14	35
Heavy work	1	10	3	30	4	40	5	50	13	32.5
Moderate work	2	20	1	10	4	40	1	10	8	20

Travel and Transportation: When inquired about the travel and transportation to reach the workplace, little more than one-third of the participants said that the transport facility was very inconvenient (37.5%). Surprisingly little less than quarter indicated that the transport facility was convenient (22.5%). (Refer Table 3.4)

Table 3.4: *Challenges faced regarding travel and transportation, according to the selected employees (n=40) from selected nationalized banks.*

Travel & transportation as a challenge	SBI* (n=10) f	(%)	BOM** (n=10) f	(%)	CBI*** (n=10) f	(%)	DN**** (n=10) f	(%)	TOTAL f (n=40)	%
Very inconvenient Transport facility	7	70	1	10	6	60	1	10	15	37.5
Convenient transport facility	1	10	5	50	2	20	1	10	9	22.5
Not applicable	0	0	1	10	0	0	3	30	4	10

Wages/Salary: Little more than quarter of the participants said that their salary was very satisfactory (30%). Astonishingly almost similar number of participants stated that the wages were not satisfactory and needed improvement (27.5%). (Refer Table 3.5)

Table 3.5

Challenges faced regarding wages, according to the selected employees (n=40) from selected nationalized banks.

Wages/ salary as a challenge	SBI* (n=10) f	(%)	BOM** (n=10) f	(%)	CBI*** (n=10) f	(%)	DN**** (n=10) f	(%)	TOTAL f (n=40)	(%)
Very satisfactory	4	40	2	20	3	30	3	30	12	30
Not satisfactory & need improvement	2	20	2	20	2	20	5	50	11	27.5
Satisfactory	2	20	3	30	3	30	1	10	9	22.5

Problems with regard to job satisfaction: Surprisingly, there were little more than one third of the selected bank employees who indicated that there were no issues regarding job satisfaction (37.5%). However little less than quarter of the participants felt that there was more workload (20%) and few of the participants had problems regarding time (10%). Very few the participants mentioned that they face travelling issues (7.5%). (Refer Table No 3.6)

Table 3.6 *Problem faced by participants with regard to job satisfaction*

Problems faced by participants	SBI* (n=10)		BOM** (n=10)		CBI*** (n=10)		DN**** (n=10)		TOTAL f (n=40)	%
	f	%	f	%	f	%	f	%		
No issues	2	20	6	60	4	40	3	30	15	37.5
Workload	1	10	1	10	3	30	3	30	8	20
Time	2	20	0	0	1	10	1	10	4	10
Travelling	2	20	0	0	1	10	0	0	3	7.5

Suggestions to Improve Job Satisfaction: When the selected bank employees were asked to give suggestions for improving job satisfaction, astonishingly, little less than half of the participants had no suggestions (47.5%) to give to improve job satisfaction which might indicate that they were satisfied in their jobs. However, little less than quarter of the participants felt that there should be training programmes in their branches (25%). Few of the participants wanted job rotation (15%) and transfer (15%) in their branches similarly. (Refer to Table No 3.7)

Table 3.7: *Suggestions to improve job satisfaction*

Suggestions to improve	SBI(n=10)		BOM(n=10)		CBI(n=10)		DN(n=10)		TOTAL f (n=40)	%
	f	%	f	%	f	%	f	%		
No issues	4	40	7	70	6	60	2	20	19	47.5
Training programmes	2	20	2	20	3	30	3	30	10	25
Job rotation	3	30	1	10	0	0	2	20	6	15
Transfer	2	20	0	0	1	10	3	30	6	15

Objective 2: To compare the selected nationalized bank in relation to:

a) characteristics of job satisfaction [a] perception, [b] aspiration, [c] importance

b) job variables

c) overall of job satisfaction and job variable

d) gender (male and female)

Comparing Selected Nationalized Banks in Relation to Characteristics of Job Satisfaction [a] perception, [b] aspiration, [c] importance

Job satisfaction was evaluated on three parameters, globally it was observed that STATE BANK INDIA employers scored highest (**737**) and DENA BANK employers scored lowest (659) on the area of perception. Whereas, CENTRAL BANK INDIAemployers scored highest both in the area of aspiration (**905**) and importance (**920**) on the other hand BANK OF MAHARASHTRA employers scored lowest both in the area of aspiration (840) and importance (845). Therefore, the overall highest score (**2549**) was obtained by CENTRAL BANK INDIA employers and lowest (2391) by the DENA BANK employers. (Refer to Table No 3.8)

Table no. 3.8: ***Characteristics of job satisfaction***

Categories	SBI			BOM			CBI			DB		
Job satisfaction	M	F	T	M	F	T	M	F	T	M	F	T
Perception	327	410	**737**	410	311	721	389	335	724	331	328	***659***
Aspiration	415	453	868	439	401	***840***	446	459	**905**	444	422	886
Importance	424	456	880	450	395	***845***	444	476	**920**	431	435	866
total			2485			2406			**2549**			**2391**

Comparing Selected Nationalized Banks in Relation to Job Variables

Overall BANK OF MAHARASHTRA scored highest (**1214**) and DENA BANK scored lowest (923) in the area of Job Variable. (Refer to Table No 3.9)

Table no. 3.9: *Job variables*

Category	SBI			BOM			CBI			DB		
Job variable	M	F	T	M	F	T	M	F	T	M	F	T
Total	507	560	1067	**586**	**628**	**1214**	575	546	1121	***478***	***445***	***923***

Comparing Selected Nationalized Banks in Relation to Overall of Job Satisfaction and Job Variable

Overall score of all the four banks for both job satisfaction and job variables was calculated. Thus result shows that overall CENTRAL BANK INDIA scored highest (**3670**) and DENA BANK scored the lowest (3314) in the Job satisfaction as well as job variables. (Refer to Table No 3.10)

Table no. 3.10: *Overall score of job satisfaction and job variables*

Categories	State Bank of India	Bank of Maharashtra	Central Bank of India	Dena Bank248
Job satisfaction	2485	2406	2549	2391
Job variables	1067	1214	1121	923
Total	3552	**3620**	3670	***3314***

Comparing Selected Nationalized Banks in Relation to Gender (male and female)

When males and females were compared for job satisfaction, it was observed that males (4950) showed more satisfaction in their jobs as compared to females (4881) [Refer to Table No 3.11]

Table no. 3.11: *Overall comparison between males and females*

Job satisfaction	MALES (N-20)				TOTAL	FEMALES (N=20)				TOTAL
Perception	327	410	389	331	1457	410	311	335	328	1384
Aspiration	415	439	446	444	1744	453	401	459	422	1735
Importance	424	450	444	431	1749	456	395	476	435	1762
total					**4950**					***4881***

DISCUSSION

Review of literature indicates; Indian banking sector have been tremendous change over the years. The products have been much more varied and the services have become better. [http://business360.fortefoundation.org/45/financial-services-myths-and-facts Retrieved date 21/7/2017] Which contradict with the current study, as very few participants mentioned that the services were satisfying (10%) and doesn’t require any improvement (10%).

The current study, little less than one-third of the participants mentioned that the workload was very heavy (35%). Similarly, researchers have found in the review of literature that certain patterns of stress are connected with certain occupations. Workers in low status health care jobs and personal services jobs have particularly high rates of admission to community mental health centers (Colligan, Smith, & Hurrell,1977). Studies of 30-60year old men in a range of occupations also found that high psychological demands at work combined with little control resulted in job strain Stated reports mentioned incidents of stress had to do with work overloads; men felt more overload at work, and women who worked outside the home felt overload both at home and work (Schnall et al.1990).

Review of literature presented that employees suggest that when company needs someone to change shifts, work on weekends, put in some overtime or work a different schedule, think about volunteering if personal schedule permits (Doyle,2016). Whereas, result of current study indicated that participants had no issues with regard to improvement of job satisfaction.

Review of literature, illustrates that sex has no significant impact on job satisfaction. [http://wwwbiz.meijou.ac.jp/SEBM/ronso/no9_1/08_PUSHPAKUMARI. pdf) Retrieved date: 5th October 2017]. Contradicting to this the current study shows that in some selected banks males are more satisfied than females wherein, in other females are more satisfied in job than males. Wherein overall results show that males (4950) are more satisfied than females (4881).

With regard to current research the aspirations are greater than perceptions which is similar to review of literature, if expectations are greater than reality than the perceived quality is not satisfactory. (http://www.iosrjournals.org/iosr-jef/papers/icsc/volume-2/18.pdf)Retrieved date 21/7/2017)

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A STUDY ON IMPLICATION OF DEMONETIZATION ON FINANCE SECTOR-'A NEW ECONOMIC CULTURE'

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Abstract

The objective of this study is to find out the impact of the demonetization over the financial sector. The study covers the banking sector and financial institutes. In this paper, an attempt has been made to find the impact of demonetization on various branches of financial sector. The area of research was from Dahisar to Churchgate, Samples of 9 highly designated officials were taken to get a strong opinion about the research which includes: Branch Credit Manager, Area Credit Manager, Area Operating Manager, Credit Manager, C.F.P.M, Vice-President Credit and Chief Manager Credit of banks and NBFC's. Further samples of 56 employees were taken who are working in the above organisations. 30 people were surveyed from banks and 35 people were surveyed from NBFC's, thus 65 people were surveyed during the course of research. The research finds out that the process of demonetization was started with the objectives of fighting black money, corruption, counterfeit currency, terrorism but it ended up with the concept of digitalisation of economy.

Keywords: *Banks, NBFC's, Highly Designated Officials, Black money, Corruption, Counterfeit currency, Terrorism*

Introduction: Demonetisation is a monetary step in which a currency status as a legal tender is declared invalid. It was recently implemented on 8th November 2016 by our current Prime Minister Narender Modi. Earlier it was done in 1946 and 1978. The prime objective of demonetization is to fight black money, corruption, counterfeit currency and terrorism. The decision was highly confidential and was implemented without any prior intimation. Demonetization was a step that has affected the entire nation collectively. Demonetization is also very essential for our country to go digital. The transition to a cashless economy will also improve savings in financial assets which will benefit intermediaries such as banks, NBFCs, microfinance and digital money operators. The move towards a cashless economy will boost savings in financial assets. One of the reasons that prompted the Government to demonetize Rs. 500 and Rs. 1000 notes is that their circulation was not in line with the Economic Growth. As per the Finance Ministry, during 2011-2016 periods, the circulation of all notes grew 40% but the circulation of Rs. 500 and Rs. 1000 notes went up by 76% and 109% respectively. Relatively speaking, the economy has grown only by 30% which is way below the money circulation. At an aggregate level, this move will significantly eliminate the existing stock of black money, fake currency and will benefit the economy in the medium- to long-run, but, the question as to how the creation of black money in the future will be prevented still remains unanswered.

Limitations of study:

- The study is restricted to the selected sample of Dahisar to Churchgate and hence the result of the study cannot be generalized.
- The statistical methods used to analyze the data have their own limitation.
- All the limitations of primary data are applicable to this study.

Review of Literature:

- **Tax Research Team (2016)** in their working paper stated in favour of demonetization. This paper shows the impact of such a move on the availability of credit, spending, level of activity and government finances.
- **Nithin and Sharmila (2016)** examined that demonetization has short term negative impact on different sectors of the economy and such impacts are solved when the new currency notes are widely circulated in the economy. They also argued that the government should clear all the problems created due to demonetization and help the economy to work smoothly

➢ **Vijay and Shiva (2016)** examined that demonetization is in the long-term interest of the country. They expressed that it had given temporary pain but it taught financial lessons. It influenced banking industries to do considerably investment on digitalization of banking services.

Objectives:

- To study the impact of demonetization on banking and NBFC's.
- To find out the business affected of various organisations of financial sector during the course and after demonetization
- To know how well India is prepared for digitalisation with reference to E-cash

Research methodology:

Dahisar to Churchgate is the study area selected for this research. Primary data is collected through well structured Questionnaire. Samples of 65 respondents have been selected by using Random sampling method. The collected information was classified among the different branches of financial sectors. The collected information was reviewed and consolidated into Graph, Bar Diagram and Pie-Chart. The secondary data was also collected from various published sources like reports, journals, newspapers, and relevant government websites to validate the research. The study tries to look at the demonetization influence on banking and NBFC's operations.

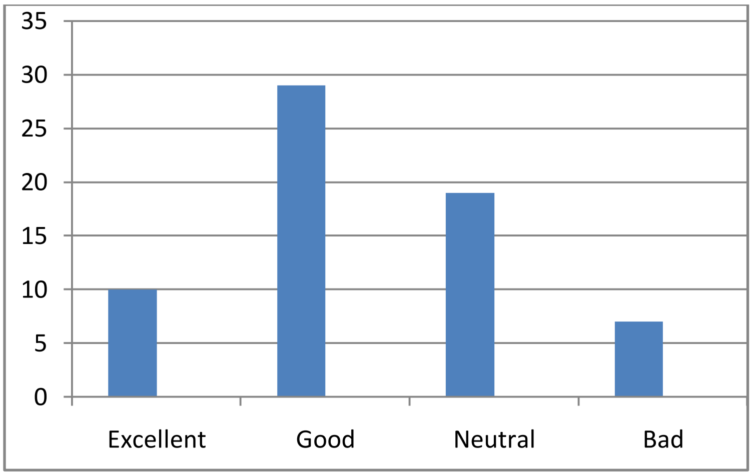
Analysis and Interpretation of data:

1. View about demonetization.

In response of this, bank and NBFC employees had given following responses.

Sr.no	Options	No. Of Responses
1.	Excellent	10
2.	Good	29
3.	Neutral	19
4.	Bad	07
Total		65

Response regarding views on Demonetization

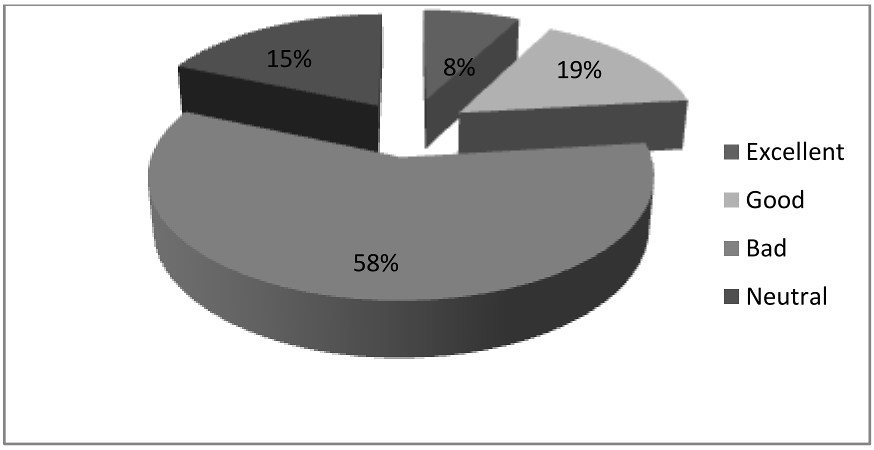


The above data indicates that around 15% employees are very satisfied with demonetization whereas around 45% are seeing it as a good opportunity to fight the main objectives of it. 29% are neutral whereas around 11% believe that is not appropriate step.

2. Implementation of Demonetization.

Sr.no	Options	No. Of Responses
1.	Excellent	05
2.	Good	12
3.	Neutral	10
4.	Bad	38
Total		65

Responses regarding implementation of demonetization:



Here you can see that nearly 58% employees feel that demonetization was not implemented satisfactorily as the employees had to work for long hours which affected their health to some extent. About 19% are of the opinion that government had taken all the necessary steps. 15% are neutral about the decision where as 8% are very satisfied with the implementation

3. Impact on employee incentives and strength.

A] Banks: a) Incentives- Overtime of 3000 per day was given for only 2 days

b) Strength- No impact on employee strength

B] NBFC : a) 50%-60% reduction in incentives

b) Strength- No impact on employee strength

4. Impact on NPA.

A] Banks : From 6% to 10%

B] NBFC : From 8% to 12%

The target customers of the banks and the Financial Institutions were running short of money due to demonetization, business of some small scale businessmen's were crashed and few salaried people in unorganised sector lost their job resulting in failure of payments to banks and NBFC's resulted into rise in their NPA.

5. Impact on delinquency level (Cheque Bouncing) of the concern.

A] Banks : From 10% to 14%

B] NBFC : From 12.8% to 17.5%

The funds lend in the market were affected in the month of November and December therefore the loans registered a sharp rise in delinquencies after demonetisation.

6. Impact on business prior and post demonetization

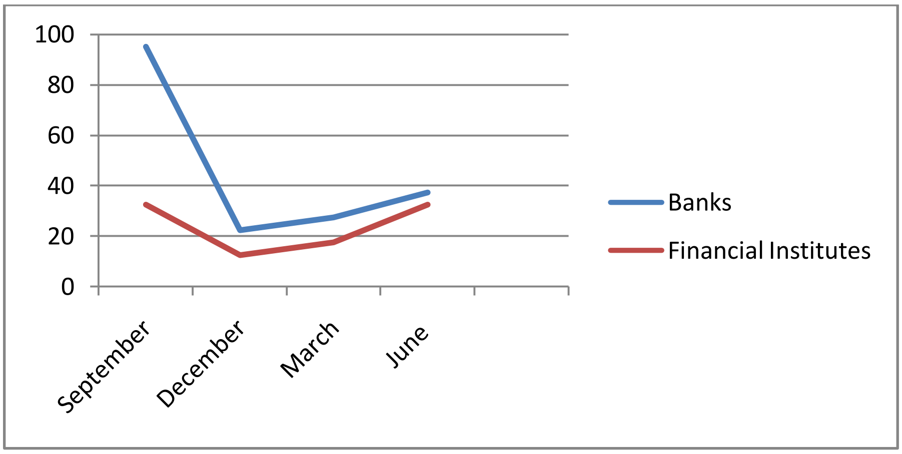
Financial sector classification	Monthly disburse of files (prior)	Monthly disburse of files (post)
Banks	90-100 files	20-25 files
NBFC's	30-35 files	10-15 files

7. Impact on business from January to March.

Financial sector classification	January to March (per month)
Banks	25-30 files
NBFC's	15-20 files

8. Current situation of the business from April to June.

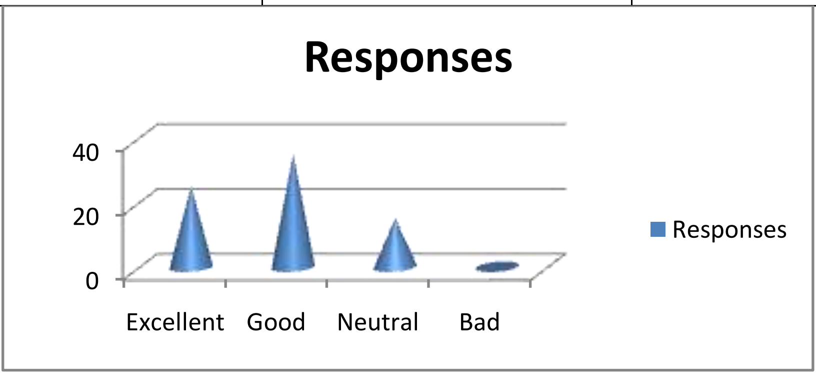
Financial sector classification	April to June (per month)
Banks	35-40 files
NBFC's	30-35 files



So we can interpret the above statics as the Banks used to disburse around 90-100 files prior demonetization which reduced to 20-25 files post demonetization i.e. in month of November and December. It further slightly increased up to around 25-30 files in the last quarter i.e. January to March and finally increased up to 35-40 in first quarter i.e. from April to June Whereas in financial institutions the disbursed files were 30-35 files prior demonetization which reduced to 10-15 files post demonetization. During last quarter it increased up to 15-20 and finally in 1st quarter it increased up to again 30-35 files. This shows that because the target customers of banks are generally of business class and good salaried people their loan amount was also relatively high in regards with property loan and other premium loan which crashed very badly during the course of demonetization therefore unable to retain their business even 6 months post demonization where as the target customers of financial institutions were small retailers, small businessmen their loan amount was also relatively low in regards with product loans, therefore the NBFC's were able to retain their business back in the market. However market situations is stable and slowly market is picking up the pace in all financial sectors. Growth is observed and the number of Login's (customers) has increased.

9. Impact on online transactions due to demonetization.

Sr.no	Options	No. Of Responses
1.	Excellent	25
2.	Good	35
3.	Neutral	15
4.	Bad	00
Total		65



Here you can see that no one feels that demonetization has not impacted online transactions. There is an infinity increase in online transactions. Nearly 77% employees are positive about online transactions whereas only 33% feels neutral about the same.

To get a more clear picture and strong opinion in this regards the researcher had also asked about the age of the employees and it came out by, out of 65 employee which were surveyed,

No. Of employees	Age Groups
21	Below 30 years
25	30-40 years
15	40-50 years
09	50-60 years

Here it resulted as out of 09 employees between the age of 50-60years 7 employees had selected the 2nd option which shows that even our grey haired population are positive about online transactions.

Due to demonetization there is a hike in online banking and online transactions through various mobile and net banking applications.

1. Just after demonetization within 3 days there was a hike of 7times on traffic of 'paytm' and therefore their online transactions were increased up to 250 times
2. From an average amount of 12 lacks rupees of transactions per day 'PayU' has increased up to an amount of 25 lacks rupees per day
3. 'freecharge' claimed that their average vault balance has increased up to 12 times post demonetization

These were examples of some highly populated mobile and net banking applications.

Are we prepared for digitalisation?

There is no proper Cyber Grievance handle mechanism in India

1. Out of 30 States only 3 States' I.T Secretary i.e. Principal Secretary of State is working.
2. Our Cyber Applicant Tribunal in Delhi, from 2012 there has been no judge appointed till now.
3. As per NCRB data every year there is an increase in cyber crime upto300%; moreover from past 5years 30000cr rupees from 27 PSU banks has been looted
4. As per Economic Times 70% of our ATM's work on Windows XP system, which the Microsoft has stopped upgrading from April2014
5. A well known fact, JPMorgan Chase world's largest bank spends around 2000cr rupees on its cyber security, was hacked once in 2014, whereas Indian banks not even spend 100cr on its cyber security
6. Just prior to demonetization, i.e. in October 2016, NPCI (National Payment Corporation of India) has reported that 641 customers from 19 banks has been looted and the amount of fraud is 1.30cr

Conclusion: By seeing the data collected here, it can be seen that the business which was affected during the course of demonetization is gradually recovering and will be back to normal in the next quarters of the financial year. GDP will be back to normal and will increase within couple of years. Growth is been observed in financial institutions and banks too are performing well. People are accepting the digital trend; people became more conscious about online banking. However there are few initiatives to be taken by the government in regards with Cyber Security to match the international standards. Bank employees had work continuously without taking day off. At an aggregate level, this move will significantly eliminate the existing stock of black money, fake currency and will benefit the economy in the medium- to long-run. However, Old Economic Relations are changing and new Economic Cultures are being established.

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PROJECT MANAGEMENT OFFICE IN FACADES INDUSTRY

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INTRODUCTION: The High rise buildings with Glass & Aluminium facades give prominence to the skylines, of the cosmopolitan cities in the Modern world. The Tallest tower in the world , Burj Khalifa with 828m tall in Dubai , also use the concept of external facades with Aluminium curtainwall & glass as the External enclosure .This is a specialized fields which is currently experiencing an era of rapid and exciting development in the Construction industry. Now almost all the High rise buildings in world use the Concept of aluminium facades systems , which can suit the complex design by the architects and also can fulfill the environmental and modern requirements . The Implementation of project management office in this Industry is very Important to ensure that the projects complete within the specified scope, time and cost . This paper will explain what is project management office and how it can beImplemented in Facades industry to ensure that the project complete by achieving the desired objectives.

1. Review of Literature

PMBOK (Project Management Body of Knowledge) – Third Edition : The Project management office is an organizational unit to centralize and coordinate the management of projects under its domain . The project management office oversees the management of projects , programs or a combination of both

Rita Mulcahy Copy Right @2009 – The project management office provides policies , methodologies & templates for managing projects within the organization . It also provides Support and Guidance to others in the Organization on how to manage Projects , training in project management and assisting with specific tools and techniques .

Objectives: The Objective of this paper is to understand in relation to the key objectives of project management office, and further implement these techniques to the facades industry, to increase the efficiency of the organization involved.

Research Methodology: The Research design is done to ensure a study of the objectives of project management office & reviewing the organizational current status and further create a department which will incorporate all the functional & project department of the organization.

Hypothesis: The successful Implementation of project management office will ensure that all the projects in the organization will be organized & can achieve the project objectives within the specified cost , time & scope .

2. Research Analysis , recommendations & suggestions

What is Project Management Office (PMO)

The PMO is an organizational unit to centralize and coordinate the management of projects within the organization to meet the strategic business objectives.

The Key features of project management office is

1. To focus on the planning, prioritization and execution of Projects and subprojects that are tied to the parent organization & overall Business objectives.
2. To operate on a Continuum, from providing project management support functions in the form of training, software, standardized policies and Procedures, for achieving the project objectives.
3. To act as delegated authority and key decision maker during the initiation stage of the project , and can have the authority to make recommendations or can terminate the project to keep fulfill Organization objectives .
4. To get involved in the selection , management and redeployment , If necessary of Shared/Dedicated project personnel .

5. Co-ordination of overall project quality standards in the organization and any internal or External Quality standards upgradation
6. To chare and coordinate all resources across all project administered.

Benefits of Project Management Office

1. Ensure project Success
2. Deliver projects under budget
3. Improve productivity
4. Communication management.

Facades Industry Implementation: The recommendations & suggestions to implement project management office in facades industry becomes relevant, as it is very difficult to manage the triple constraints of the project in a systematic manner . So inorder to Implement the PMO , we have to streamline /evaluate the process within the organization & further create a department which can achieve the objectives of the project management office. The analysis should be mainly done in relation to the strategic objectives of the organization , projects which is ongoing / forecasted , Internal project management procedures etc , which will directly involve in the success of the project .

Implementation The Project management office will act as an organization body which will be

Coordinating between the functional Departments and project department of the organization. In a project oriented company all the revenue is generating from project, so successful completion of project is the key for success. As per the review of the organization under study , there is a need for the project management office to ensure close coordination for multiple projects operating in several countries . So the decision was made by the management to Implement PMO which can control the all the types of resources within the organization . The project control manager, project coordinators will be part of the team , and will act as an independent body which will directly report to the Top management. The departments will manage and maintain the project management process in the company for all projects in the organization .

Conclusion: The Implementation of PMO within the organization will be done in a systematic manner and this will help in increasing the efficiency of utilizing the resources and so on . Further to the Implementation there will be regular meetings conducted Weekly which involves all the Concerned from the projects & functional departments to discuss regarding the Organizational / project Objectives .

List of Reference

Project management body of knowledge, PMBOK 3rd Edition, by Project Management Institute , USA
Project Management Professional preparation by Rita Mulcahy Copyright @ 2009

WHERE SHOULD YOU INVEST? PPF, NSC, KVP, SCSS OR SUKANYA SAMRIDDHI: A STUDY (MUMBAI REGION)

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Abstract

In India Small saving schemes are the most significant and feasible financial investments options. These schemes are under the provisions of government and non-government bodies which aim for the better financial and economic position of the underprivileged sections. SSC (Small Saving Schemes) are very much significant to the Indian economy. To provide financial assistance to the economically underprivileged section of the Indian population who is the major portion of the Indian population economy need to be taken care through these financial supporting schemes.The research study has been carried out to study the various small saving schemes, its significant factors, source of information for these schemes and also returns and benefits of these schemes. This research will highlight about where to invest in Small Saving Schemes. The research source of information is based on primary and secondary data. This is an empirical study done in Mumbai region. The aim and objectives are to evaluate the suitability of the investments according to Indian economy context.

Keywords: *Small Saving Schemes, Kisan Vikas Patra, Sukanya Samriddhi, Public Provident Fund, investments, interest rates andreturns.*

Abbreviations:

- KVP – Kisan Vikas Patra
- PPF – Public Provident Fund
- NSC – National Saving Certificate
- SCSS – Senior Citizen Saving Scheme
- SSC/SSS – Small Saving Schemes Certificates
- Qly – Quarterly
- Yrs. - Years

Objectives:

1) To study and list the Small Scheme Investments.
2) To study the significant factors of Small Scheme Investments mentioned above.
3) To study the source of information about Small Scheme Investments.
4) To evaluate and analyze the best scheme in Small Scheme Investments listed here in.

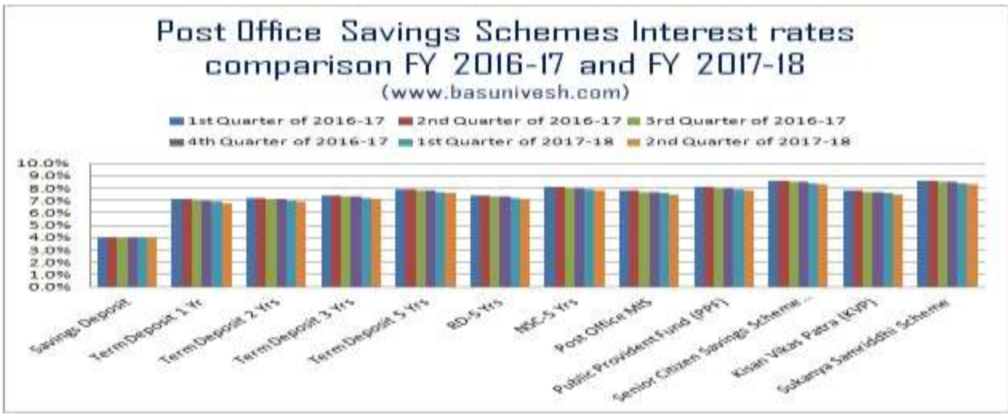
Introduction: In India Small Saving Schemes are considered as the very important and feasible financial option which is provided by both government and non-government bodies. These are extremely significant from the Indian economy point of view. The main aim of these bodies is to provide the financial support to the economically underprivileged/deprived section of the Indian population who makes the major portion of the Indian population. The principal aim is to generate money for spending on the development process. The SSC provides wants to achieve this aim by giving the common people the various financial investment options which are offering them huge/high returns with less risk or without high risk. Investors are feeling that the interest rates have been not reduced on the SSC. The bond yields have been decreased in the past few months which have logically affected the cut off rates. If the same formula has been implemented which links the SSC then the PPF should not offer more than 7%. But, the fear of counter attack of the middle class seems to have stopped the government from reducing the rates. There are many ways through which SSC of Indian can be executed. For example the many SSC's are run through post offices located throughout the country. There are almost eight thousand branches of public sector banks and post offices which provide PPF schemes under the Government of India. There are some other deposit schemes provided by Government of India which are meant for the workers on the verge of retirement but are not widely available.

Table No. 1 - Interest rates of PPF, KVP, NSC, SCSS and Sukanaya Samriddhi Account and Post Office Saving Schemes for period of 01-07-2017 to 30-09-2017

Savings Deposit	4.00%	4.00%	NA	4.00%
Term Deposit 1Yr.	6.90%	6.80%	Quarterly	6.97%
Term Deposit 2Yrs.	7.00%	6.90%	Qly	7.08%
Term Deposit 3Yrs.	7.20%	7.20%	Qly	7.29%
Term Deposit 5 Yrs.	7.70%	7.60%	Qly	7.81%
RD – 5 Yrs.	7.20%	7.10%	Qly	7.29%
NSC – 5 Yrs.	7.90%	7.80%	Yearly	7.80%
Post office Monthly Income Scheme	7.60%	7.50%	NA	7.50%
Public Provident Fund (PPF)	7.90%	7.80%	Yearly	7.80%
Senior Citizen Saving Scheme (SCSS)	8.40%	8.30%	NA	8.30%
Kisan Vikas Patra	7.60%	7.50%	Yearly	7.50%
Sukanya Samriddhi Scheme	8.40%	8.30%	Yearly	8.30%

(Source: www.basunivesh.com)

Graph: 1 - Below is the interest rate trend for FY 2016-17 and FY 2017-18



Various Small Saving Schemes are as follows:

1) **Public Provident Fund (PPF):** PPF is one of the best investments for the long – term benefits which is very much important at the stage of retirement and investors who fall in the category of non-salaried employees. This investment will mature in fifteen years after the close of financial year in which the initial subscription have been made. One can close the PPF account on maturity and take the amount or can continue the same PPF a/c extension for further block period of 5 years in which there is no limit for such kind of extensions. But one important note that once the PPF expires then a new a/c need to be opened which will be from the scratch again. The choice to extend the PPF account with subscription has to be made within one year from the date of maturity of the account by Filling Form H. The choice of five years block cannot be changed and also once an account is continued without contribution for any year, the subscriber cannot change over to with-contributions extension. The extended period earned interest is considered for tax-free benefits.

Table: No. 2 - Public Provident Fund (PPF)

Public Provident Fund	Description
Present Rate of Interest:	7.8%
The amount invested in PPF will mature in:	15 years (But calculation of 15 years starts from the end of financial year in which the account was opened)
The minimum deposit	Rs. 500
The maximum deposit limit:	INR. 1,50,000/- in a financial year

2) **National Saving Certificate (NSC):** NSC has been developed for the additional financial benefits which the investor is expecting at the time of maturity with the option of the decent returns, further investments or reinvestments which affects the building a corpus of funds. NSC has two term periods of maturity which includes 5 years and 10 years. Suitability of the investor needs is preferred over the term maturity.

Table: No. 3 - National Savings Certificates (NSC)

National Savings Certificates (NSC)	Description
Present Rate of Interest:	7.8%
The amount invested in NSC will mature in:	NSC under the VIII issue (5 year term) earn an interest of 8.5% which is compounded half yearly whereas NSCs under the IX issue (10 year term) earn an interest of 8.8% which is compounded half yearly.
The minimum deposit	Rs. 100
The maximum deposit limit:	No Such Limit

3) **Kisan Vikas Patra (KVP):** KVP has been developed to facilitate the people's requirements for the long term saving plan. It has been introduced by the Government of India in 1988 and again in 2014 with some changes it has been reintroduced because there were probable chances of misusing the KVP for the money laundering. The changes include PAN card for over Rs.50000 and income proof for above 10 Lakhs investment. The advantage of easy access and handling of account by minor, jointly or individually as attracted the investors. The investors are basically belonging to semi-urban and rural areas where people fall for such kind of Ponzi schemes with low risk and assured guarantee returns.

Table: No. 4 – Kisan Vikas Patra

Kisan Vikas Patra	Description
Present Rate of Interest:	7.8%
The amount invested in Kisan Vikas Patra will mature in:	8 years 4 months or 100 months (At the present ROI= the amount will double/mature)
The minimum deposit	Rs. 1000
The maximum deposit limit:	No Such Limit

4) **Senior Citizen Saving Scheme (SCSS):** In every society elders or senior citizens are considered as the pride members of the place. Their contributions towards the development of the society for the ease of next generation have been never forgotten by the society. When it comes to the facilities offered to these citizens who spent their life in continuous working need to be honored for making a better life. In India there are many collections of the schemes which provide huge benefits for these citizens of the country. Substantially, Senior Citizen Saving Scheme has been designated for the individuals of India who are above age 60. It is aneffective, robust, safe, highly targeted long-term saving security scheme. Also some time it considered a medium range investment. It is available through any certified banks and also through post offices across India.

Table: No. 5 - Senior Citizen Saving Scheme

Sr. No.	Senior Citizen Saving Scheme	Description
1)	Present Rate of Interest:	8.3%
2)	The amount invested in SCSS will mature in:	5 years (upon maturity can be subsequently extended for an additional 3 years)
3)	The minimum deposit	one deposit into this account, an amount that is a multiple of Rs.1,000
4)	The maximum deposit limit:	INR. 15,00,000/-

Table: 6 - Factors to be considered for the SCSS are:

Sr. No.	Factors	Description
1.	**Easily Available**	Fill up a simple application form at your local bank or post office and you are set.
2.	**Reliability**	This is a Government of India sponsored investment product and comes with all the security and assurance associated with that tag
3.	**Multiple Accounts**	A single applicant can open multiple SCSS accounts, either individually or with a joint investor (must be the spouse of the primary investor)
4.	**High Returns**	At 8.6% per annum, the returns on your SCSS accounts are very impressive
5.	**Flexible Tenure**	The account has tenure of 5 years but can be stretched to add another 3 years. Thus, your senior citizen saving scheme serves as either a medium range investment or a long term plan
6.	**Save Tax-**	As per the dictates of Section 80C, Income Tax Act, 1961, the TDS can be saved
7.	**Premature Terminati on**	- In extreme financial duress, your SCSS account can be closed and the money accessed. While this option only applies after the account has existed for a minimum of one year, it still is a ready source of funds that can be called to help at a moment's notice. However, after 1 year, a penalty of 1.5% of the funds in the SCSS account will be deducted while the same is 1% after the completion of 2 years.
8.	Minimum Documenta tion	KYC documents that prove your age. The documents that can be submitted to substantiate this are- Passport/ Birth Certificate/ Voter's ID/ Senior Citizen Card/ PAN, etc.

5) **Sukanaya Samriddhi:** Sukanya Samriddhi scheme have been launched basically for the girl children. It is one of the schemes of Indian government which has been launched by the Indian Prime Minister, Shri. Narendra Modi. Under this scheme about 58,000 beneficiaries have been enrolled and called upon the officials to ensure that all the 2.70 lakh girl children below 10 years of age were covered under this scheme and payment need to be done till the child attains 14 years of age. To open the account in the post office or any bank the parents can approach along with the girl child photo, Aadhar Card and date of birth certificate.They can also avail IT exemption under Section 80Cof the Income Tax Act, 1961. The very interesting fact about this scheme is this deposit can only be withdrawn by the girl child and not even the depositor (parents/guardian) on the behalf of the girl child. Closing of account is possible only when the girl child attains 21 years of age.

Table: 7 - Sukanaya Samriddhi Scheme

Sukanaya Samriddhi	Description
Present Rate of Interest:	8.6%
The amount invested in Sukanaya Samriddhi will mature in:	years (Up to 50% of the deposit amount can be prematurely withdrawn once the girl reaches the age of 18 years)
The minimum deposit	The initial deposit amount required is Rs.1000 at the time of account opening.
The maximum deposit limit:	Rs.1,50,000

Demographic Profile of the investors includes:

1. Gender
2. Age
3. Educational Qualification
4. Occupation

The factors which have been identified and considered for the study of Small Saving Schemes are:

1. Tenure/ Duration/ Maturity
2. Rate of Interest
3. Tax benefits
4. Amount /Limit of investment
5. Ease of Access/Process/ Location
6. Reliability

Research Methodology:

1. **Research Design:** Descriptive Research
2. **Sampling Method:** Non – Probability Convenience Sampling
3. **Sampling Area:** Mumbai Region (India)
4. **Sample Size:** 100

Primary Data: Primary information has been collected to understand the concepts investors in **Small Saving Schemes**. The responses of the investors have been gathered by preparing the structured questionnaire. Also the personal interviews of the people related to investments have been conducted.

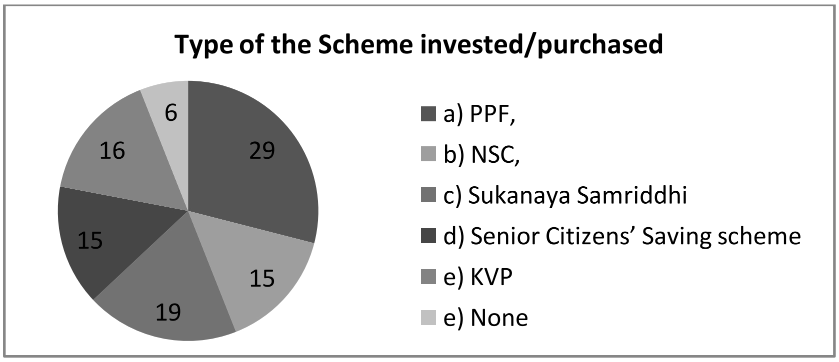
Secondary Data: The other information required for the research work has been collected through various secondary sources like journal publications, newspapers, magazines, internet and books, etc.

Data Analysis Method and Statistical Tools: A structured questionnaire has been prepared to collect the responses from the investors. The questionnaire consists of multiple choice questions for achieving the objectives of the research work. The questionnaire is the best tool to gather the primary data and reliable information. Collected data has been analyzed with the help of MS-Excel.

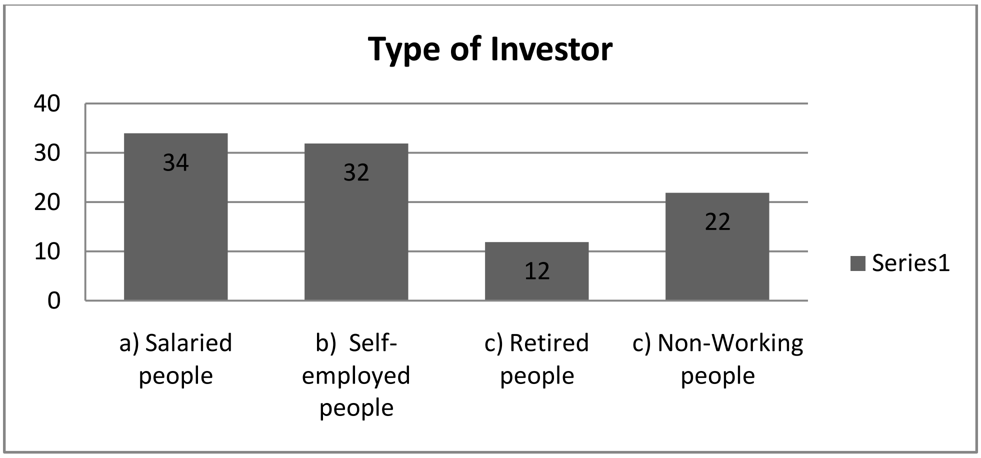
Analysis and Interpretation – Tables and Graphs:

1. **Educational qualification** of the respondents constitutes of 34% S.S.C, 22% of H.S.C, 28% of graduates and 16% of post graduates.
2. **Respondent's occupation** consists of 20% business persons, 25% of professionals, 33% of employees and 22% of other categories who may be house wives, students or non-working citizens.
3. **The age group** of respondents constitutes of 11% 18-25, 22% of 26-39, 32% of 40-49 and 35% of 50 and above.
4. **Gender** of the respondents includes 59% of male members whereas 41% were female members for the research.

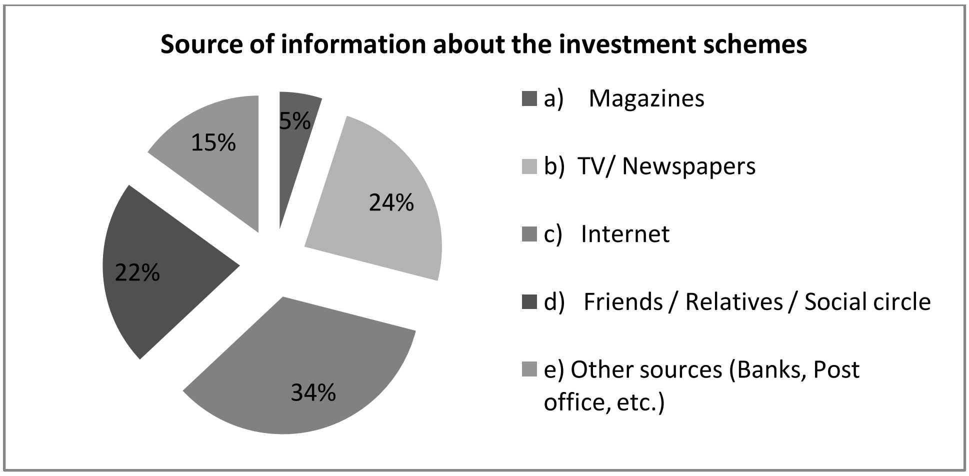
Graph: 2 – Type of Scheme purchased/Invested



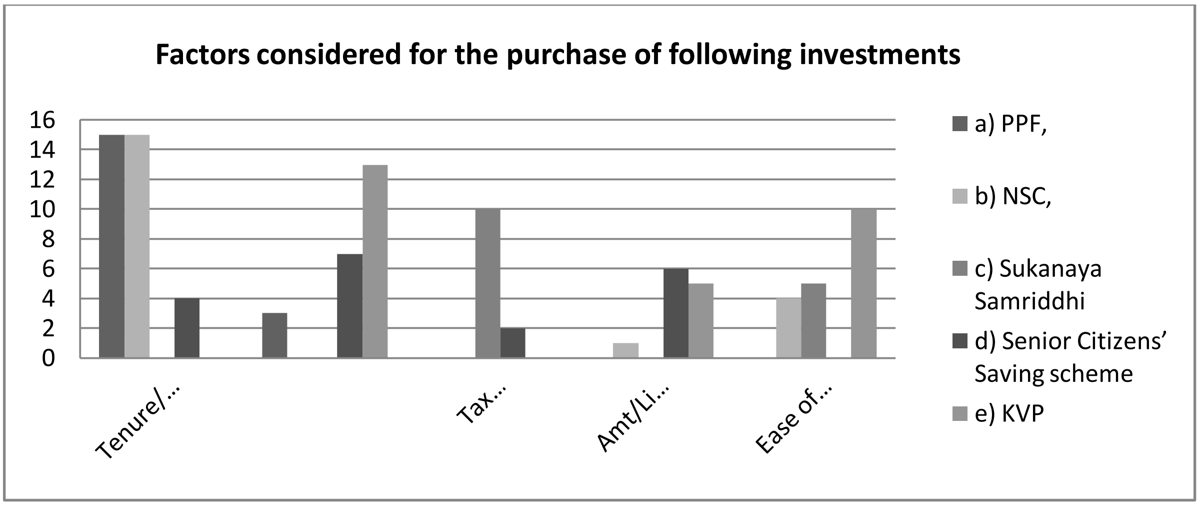
Graph: 3 – Type of Investor



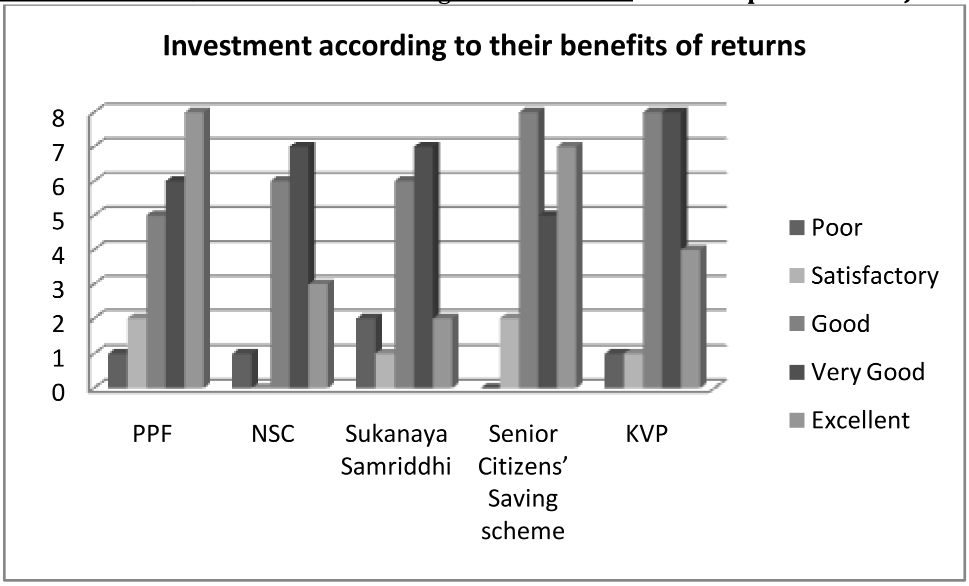
Graph: 4 – Source of information about the investment schemes



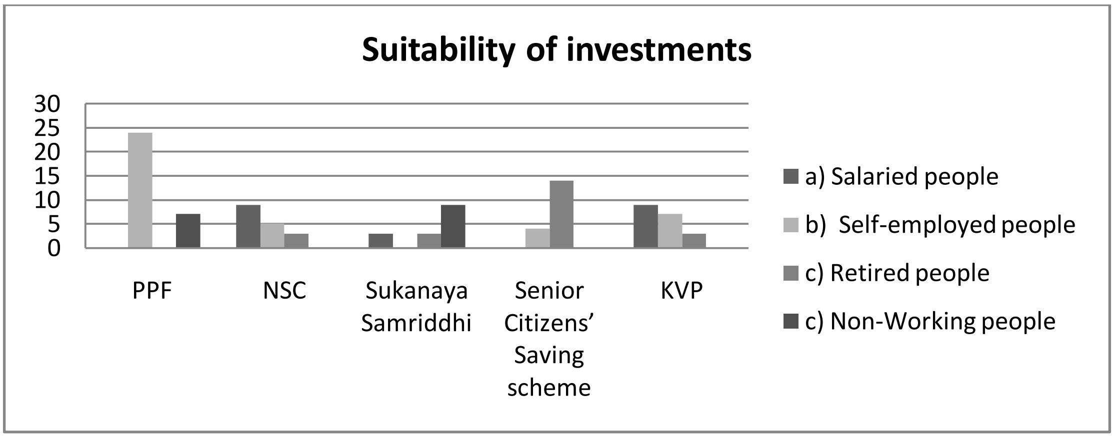
Graph:5 – Factors considered for the purchase of following investments



Graph: 6 - Investment according to their benefits of returns



Graph:7 -Suitability of investments



Suggestions /Recommendations:

1. PPF is a best financial instrument for the long term investment which is a vital retirement saving tool for the individuals and basically who are not salaried employees.
2. KVP's main advantage is ease of access and process. This investment can be accessed individually, jointly or in the name of minor.
3. Before investing every investor thinks about two aspects in the investment opportunity which includes the instant requirement of monetary funds to invest in and the financial gain which the investor gets at the time of maturity. This is what NSC offers.
4. According to SCSS only one investment is allowed per account. This amount must be a multiple of Rs.1000 and not exceed Rs.15 lakhs. Thus, the SCSS investment is immensely affordable and scalable.
5. Sukanya Samriddhi is for the betterment of the girl child in the family which aids in the removal of the gender inequality in the society and it is a great step by the Indian government. This scheme is basically to get the financial benefit for the higher studies and towards wedding expenses.
6. Every SSC scheme has its own benefits but from the most beneficial point of view is the KVP investment.

Scope: The investors or citizens of India can refer to the research of these small scale investments for the betterment of ease of access, reliability, tax benefits, maturity, and rate of interest and limit of investments before investing in any financial instruments. This will give a brief idea about the investment factors and its benefits according the category of people engaged here in. Government of India has huge collections of various schemes for the development of financial and economic condition of its citizens which have been described in the research process.The study has been conducted to study, understand and analyze the investment pattern of every citizen of the country with respect to small Saving Schemes certificates.

Conclusion: Formula of linking the bond yields with the Small Saving Scheme certificates has been now abandoned because nowadays the rates are determined by the politics and fixed by the finance ministry. The present rates of SSC will be prevailing for few more quarters. Investors of SSC should not blindly invest in SSC. Each financial instrument has certain great features or elements which should be specifically assessed / analyzed for the best and great returns/benefits with less risk or not higher risk before fitting into the financial portfolio.

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PHYSICO-CHEMICAL STATUS OF WATER IN PUS DAM OF PUSADTALUKA, DISTRICT YAVATMAL, (M.S) INDIA

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Abstract

This study was aimed to estimate current status of physico-chemical characteristic of Pus Dam of PusadTalukaof Yavatmal District, Maharashtra. Monthly changes in physico-chemical parameters such as water temperature,pH, turbidity, transparency, total dissolved solids, total hardness, chlorides, phosphate, nitrates, dissolvedoxygen and biological oxygen demand were analyzed for a period of one year from September 2016 to August2017. The results indicated that physico-chemical parameters of the water were within the permissible limitsand can be used for domestic, irrigation and pisciculture.

Keywords*: Pus Dam, Physico-chemical status, monthly variation, DO, BOD, irrigation.*

INTRODUCTION: -Water resources are of critical importance to both natural ecosystem and human development. It is essential foragriculture, industry and human existence. The healthy aquatic ecosystem is depended on the physico-chemicaland biological characteristics (Venkatesharaju et al 2010). The quality of water in any ecosystem providessignificant information about the available resources for supporting life in that ecosystem. Good quality of waterresources depends on a large number of physico-chemical parameters and biological characteristics. To assesthat monitoring of these parameters is essential to identify magnitude and source of any pollution load. Thesecharacteristics can identify certain condition for the ecology of living organisms and suggest appropriateconservation and management strategies. Many researches are being carried out till present (Sharma & Gupta2004; Rajasekar et al., 2005; Sridhar et al., 2006; Anilakurmary et al., 2007; Prabu et al., 2008; Raja et al., 2008;Pradhan et al., 2009; Srivastava et., 2009; Damotharan et al., 2010; Prasanna and Ranjan, 2010). In order toassess water quality index we have carried out the physico-chemical analysis of water in Pus Dam. The aim of the study is too reveled out the pollution status of Dam in terms of physico-chemical characteristics of water.However, very little information is available in relation to physico-chemical characteristics of water in the PusDam, at Pusadtaluka. Hence, the preset study was conducted to study the physico-chemical properties of water inthe Pus Dam of Pusadtaluka of yavatmal district for a period of one year from September 2016 to August-2017.

MATERIALS AND METHOD

STUDY AREA: - To evaluate the water quality an effort was made to investigate the water in Pus dam at Pusadtaluka of Yavatmal district, Maharatra, India. The climatic condition of the study area was hot summer and coolwinter. In the present study period temperature range a minimum 29ºC and a maximum of 38ºC. The region gets much rainfall from south west monsoon. The place gets most of its rainfall from June to September during themonsoon. In October and November also increased rainfall from the north east monsoon. The average rainfall ofthis study area is 100.9 mm. The water of this Dam is used for drinking, agriculture and supports fish culture.

COLLECTION OF SAMPLES: -In order to determine the water quality index four stations were chosen for sample collection form the Dam during September 2016 to August 2017 in the first week of every month. Some of the results were recorded atthe sampling stations whereas the others were recorded in the laboratory, according APHA, 2005, Kodarkar et al,2008.

RESULTS AND DISCUSSION: - Mean values of physico-chemical parameters are presented in Table-1 and correlation coefficients among physico-chemical parameters are shown in Table-2.

WATER TEMPERATURE: -Temperature of Reservoir water ranged from 24.75°C to 28.5°C in different seasons. High seasonal variations were observed at all the sites. Water temperature was high due to low water level, high air temperature andclean atmosphere. Sharma et al (2000) observed that water temperature fluctuate between 21°C to 29°C during limnological studies of Udaipur lake.

PH: -During present study water pH values were found (6.99 to 7.0075). It is indicating alkalinity nature throughoutthe study period. The high values may be due to attributed sewage discharged by surrounding city andagricultural fields. PH value is very important for plankton growth (Chisty, 2002). According to Umavathi et al(2007) pH is ranged 5 to 8.5 is best for plankton growth.

TURBIDITY: -In the present study water turbidity values ranged from 0.5 to 10.5 NTU. The results supported by Dagaonkarand Saksena (1992) and Garg et al (2006b) have also reported high turbidity during rainy season. During rainyseason silt, clay and other suspended particles contribute to the turbidity values, while during winter andsummer seasons settlement of silt, clay results low turbidity.

TRANSPARENCE :- In the present study water transparency values ranged from 18.58 to 32.62 cm which indicates productive natureof this water on the basis of clarity values as proposed by Sharma and Durve (1991). Khan and Chowdhury(1994) reported that higher transparence occurred, during winter and summer due to absence of rain, runoff andflood water as well as gradual settling of suspended particles. Kadam et al (2007) also reported similarobservation from Masoli reservoir of Parbhani district, Maharashta.

TOTAL DISSOLVED SOLIDS: -Total dissolved solids value ranged from 261.25 to 269.05 mg/l in different seasons. Similar findings have beenreported by Rao et al 2003, Kirubavathy et al 2005, Garg et al 2006b. TDS analysis has great implications in thecontrol of biological and physical waste water treatment processes.

TOTAL HARDNESS: -In the present study total hardness ranged from 161.5 to 183.75 mg/l in different seasons. These high values maybe due to the addition of calcium and magnesium salts. The increase in hardness can be attributed to the decreasein water volume and increase in the rate of evaporation at high temperature. Hujare (2008) reported totalhardness was high during summer than rainy season and winter season.

CHLORIDE: -Chloride found high during the study ranged from 36.39 mg/l to 40.44 mg/l. similar results were reported bySwarnalatha and Nasingrao (1998) and Umavathi et al (2007) showed that higher concentration of chloride isassociation with increased level of pollution.

PHOSPHATE: -It is one of the most important nutrient and a limiting factor in the maintenance of reservoir fertility. During thestudy the phosphate concentration ranged from 0.015 to 0.0575 mg/l in different seasons. This finding isagreement with that of Udaipur lakes (Ranu 2001, Chisty 2002).

NITRATE: -During the study Nitrate fluctuated between 0.02 to 0.03mg/l. These values are much lower than the chisty(2002) and Rani et al (2004). High concentration of nitrate is drinking water is toxic (Umavathi et al 2007).

DISSOLVED OXYGEN: -Dissolved oxygen is an important aquatic parameter, whose presence is vital to aquatic fauna. It plays crucialrole in life processes of animals. In the present study the DO values found from 5.60 to 8.395 mg/l. Dissolvedoxygen concentrate was 5mg/l throughout the year the reservoir is productive for fish culture Benerjee (1967)Torzwall (1957). Rani et al., (2004) also reported lower values of Dissolved oxygen in summer season due tohigher rate of decomposition of organic matter and limited flow of water in low holding environment due tohigh temperature.

BIOCHEMICAL OXYGEN DEMAND (BOD):- Biological oxygen Demand (BOD) is an important parameter to the oxygen required to degradation of organicmatter. During the study period BOD recorded from 2.62 to 3.975 mg/l which is within the permissible range.Devaraju et al (2005) has made similar observations inMaddur Lake and Garg et al., 2010 has also madesimilar observations in Ramsagar reservoir. High BOD value is unflavored with zooplankton.

		Seasonal mean			Statistical parameters				
S.No	Parameters	Winter	Summer	Rainy	Mn	Mx	Mean	SD	SE
1	WT	24.75	28.5	25.75	24	30	26.333	2.0150	0.591
2	PH	7	7.0075	6.99	6.99	7.01	6.999	0.0079	0.002
3	TUR	1	0.5	10.05	00	12	4	4.8617	1.403
4	TR	32.61	29.122	18.58	17.03	40.03	26.771	7.6641	2.212
5	TDS	261.25	269.05	262.8	257.8	272.8	264.366	5.3826	1.55
6	TH	161.5	183.75	168.25	159	188	171.166	12.209	3.524
7	CL	38.72	40.44	36.39	35	42.01	38.5183	2.2457	0.648
8	P	0.015	0.0575	0.045	0.01	0.1	0.0391	0.03579	0.0103
9	N	0.020	0.012	0.03	00	0.04	0.0208	0.01379	0.003
10	DO	8.395	5.6025	5.83	5.18	9.72	6.6091	1.74508	0.503
11	BOD	2.88	3.975	2.62	2.2	5	3.1583	0.8167	0.253

WT= Water temperature, pH, TUR= Turbidity, TR= Transparence, TDS=Total dissolved solids, TH=Total hardness, Cl=Chloride, P= Phosphate, N= Nitrate, DO=Dissolved oxygen, BOD=Biological oxygendemand.

CORRELATION (r) BETWEEN DIFFERENT PARAMETERS:-

In the present study the correlation coefficient (r) between every parameter pairs in computed by taking theaverage values as shown in table-2. Correlation coefficient (r) between any two parameters, x & y is calculatedfor parameter such as water temperature, pH, turbidity, transparence, total dissolved solids, total hardness,chloride, phosphate, nitrate, dissolved oxygen and biological oxygen demand of the Pus Dam water. Thedegree of line association between any two of the water quality parameters as measured by the simple correlation coefficient (r) is presented in table-2 as 11×11 correlation matrix. The water temperature has beenfound to show positive correlations with pH, total dissolved solids, total hardness, chloride, phosphate andbiological oxygen demand. The transparency has been found to show positive correlation with chloride,dissolvedoxygen and biological oxygen demand while nitrate negatively correlated with transparency. There isa strong positive correlation (r=0.82794) between pH and chloride. Biological oxygen demand showedsignificant positive correlation pH and Chloride. PH and turbidity showed a highly significant negativecorrelation(r=−0.8725).

Table 2: Correlation Coefficient (r) among physico-chemical parameters of the Pus Dam

	1	2	3	4	5	6	7	8	9	10	11
1	1										
2	0.64478	1									
3	-0.24127	-0.8725	1								
4	-0.09269	0.52447	-0.78305	1							
5	0.70850	0.51898	-0.25359	-0.08766	1						
6	0.70700	0.49924	-0.24811	-0.07983	0.91641	1					
7	0.59697	0.82794	-0.710	0.57372	0.43835	0.40292	1				

			99								
8	0.63442	0.22154	0.04701	-0.28242	0.39715	0.55580	0.20740	1			
9	-0.18218	-0.49857	0.54018	-0.50965	-0.064	-0.16422	-0.40792	-0.44183	1		
10	-0.32729	0.02882	-0.28926	0.12710	-0.20188	-0.415	-0.11947	-0.29923	-0.006	1	
11	0.56319	0.599107	-0.50571	0.489062	0.297495	0.444357	0.705021	0.196479	-0.101	-0.373	1

Data is the mean value of monthly collected samples. The values (r) ranged from 0.400 to 0.52 and0.53 to above are significant at P<0.05 and P<0.01 respectively. 1.Watertemperature. 2.pH.3.Turbidity.4.Transparence. 5. Total dissolved solids. 6.Totalhardness. 7. Chloride. 8.Phosphate. 9.Nitrate. 10.Dissolvedoxygen.11.Biological oxygen demand.

CONCLUSION: - All the physical and chemical properties of Pus Dam water were within desirable limits. Theresults obtained from the present investigation shall be useful in future management of the reservoir. Thephysico-chemical characteristics of Dam water suggested that there was no harmful to pisiculture, irrigation anddrinking water.

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A STUDY OF REFORMS IN INDIAN REAL ESTATE SECTOR: POLICY AND IMPACTS

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Abstract

The Real Estate Regulation & Development Act (RERA), 2016 is considered as one of the most land mark legislations passed by Indian parliament. The act is intended to reform the real estate in India encouraging greater transparency, accountability and financial discipline. This article contributes to existing literature by giving and overview of needs for regulation in real estate sector and also provides glimpse of operational implications of RERA since its enactment.

Keywords: *Real Estate sector, Real Estate Reforms, RERA, Infrastructural Reforms*

Introduction: Real estate involves the sale, purchase and development of land, apartments, buildings, etc, for various purposes. Different aspects of real estate are regulated by different levels of government. Real estate projects are currently regulated by state governments under their respective state, town and country planning or apartment ownership Acts. Typically, Town and Country Planning Acts regulate land use and development. Apartment Ownership Acts regulate individual ownership of apartments in buildings with multiple apartments. Approvals for the construction of real estate projects are primarily given at the local and state level. Certain approvals are given by the central government. The Real Estate (Regulation and Development) Act, 2016 (The Real Estate Act) provides for establishing regulatory authorities at the state level to register residential real estate projects and seeks to regulate contracts between buyers and sellers in the real estate sector to ensure sale of plot, apartment or building, etc, in an efficient and transparent manner. It also proposes to ensure greater accountability towards consumers, and significantly reduce frauds and delays as also the current high transaction costs. It attempts to balance the interests of consumers and promoters by imposing certain responsibilities on both. It seeks to establish symmetry of information between the promoter and purchaser, transparency of contractual conditions, set minimum standards of accountability and a fast track dispute resolution mechanism.

1.1 Overview of Maha RERA website

1.2 Salient Features of the Real Estate Act (2016)

1. Real Estate Regulator Authorities, Appellate Tribunals & Central Advisory Council

All states and union territories (UTs) must establish state-level regulatory authorities, called Real Estate Regulatory Authorities (RERAs) within one year of the Act coming into force. Two or more states or UTs may set up a common RERA. A state or UT may also establish more than one RERA.

Functions of a RERA include: (a) ensuring that residential projects are registered and their details uploaded on the RERA website; (b) ensuring that buyers, sellers, and agents comply with obligations under the Real Estate Act; and (c) advising the government on matters related to the development of real estate.

Each RERA will consist of a chairperson and at least two full-time members with experience in sectors such as real estate, urban development, law and commerce. One or more tribunals, called Real Estate Appellate Tribunals, will be established in states and union territories to hear appeals against decisions of RERAs. One Tribunal may be established for two or more states.

2. Registration of real estate projects and agents: The Real Estate Act requires that all residential projects, with some exceptions, be registered. Promoters cannot book or offer these projects for sale without registering them. Registration is not required for projects that : (a) are less than 1000 square meters, or (b) entail the construction of fewer than 12 apartments, or (c) entail renovation/repair/re-development without re-allotment or marketing of the project.

3. Duties of the promoter and the buyer: 70% of the amount collected for the project from buyers must be used only for construction of that project. The state government can change this amount to less than 70%. The promoter shall not accept more than 10% of the total cost of the property as an advance payment without entering into a written agreement.

The promoter shall: (a) obtain a completion certificate from the relevant authority; (b) form an association or society of buyers; and (c) provide essential services till the association of buyers takes over the maintenance of the project. If the promoter is unable to give possession of the property, he shall be liable to return the amount received by him for the property, with interest.

4. Penalties: In case the promoter fails to register the property, he may be penalized up to 10 % of the estimated cost of the project. Failure to register despite orders issued by the RERA will lead to imprisonment for up to three years, and/or an additional fine of 10% of the estimated cost of the project. The promoter will have to pay up to 5% of the estimated cost of the project if he violates any other provisions of the Act. Real estate agents will have to pay a fine of Rs. 10,000 for violation any provisions of the Act, for each day the violation continues. An Allot tee, who wilfully fails to comply with, or contravenes any of the orders or directions RERA or Appellate Tribunal, as the case may be, he shall be liable to a penalty up to 5% and 10% respectively of the purchase cost.

2. Review of literature: A literature review is a text of a scholarly paper, which includes the current knowledge including substantive findings, as well as theoretical and methodological contributions to a particular topic. Literature reviews are secondary sources, and do not report new or original experimental work.

1. **Sunil Dhawan (May 09, 2017)** in his article "Will RERA impact real estate prices" published in Economictimes.com. Stated that RERA is going to impact real estate in terms of price. For existing property and as well as under construction property. As the Super built-up cost of a property will be calculated in carpet area itself, which will increase the overall price of the property.

Review: Every developer has to register his new or under construction projects under RERA. Due to the RERA norms and conditions, developer has to complete the project on a given period of time, which will increase the cost of under construction projects. There will be a lot of pressure on developers to deliver projects on time, this will create a huge demand for contractors and they are going to charge more, which will indirectly burden customers.

2. **Times of India (29th July 2107)** in there article "2500 builders across state have registered under RERA so far". Stated that 2500 builders have registered their projects under RERA till now in Maharashtra. If the project is not registered under RERA then the builders will have to bare a heavy penalty which consists of 10% project cost. Consumers can register their complaints on the RERA website by paying Rs. 5000. The deadline for the builders to register with RERA is 31st July.

Review:

2,500 developers had registered under RERA, in which maximum number of project are from Pune which consists of (853) followed by Mumbai (487) and Thane (318) and suburbs and Mumbai city (103). It is mandatory to register the project under RERA by any developer. After the deadlines of

31st July 2017, RERA is going to put penalty on the developers who have not registered their on-going project yet. The consumers have to pay 5000 Rs. to register their complaint with the regulatory body. Already the complainants are under stress, and to charge him 5000rs more would be absolutely wrong, as they are not going to get their possession on time which is going to increase their cost of purchasing residential apartments and charging extra amount to just register is not good.

3. TNN (11th July 2017) in there article "Real estate show some signs of recovery" published by Times of India stated that according to NHB (National housing bank) out of 50 cities which are monitored, 27 cities witnessed improvement in prices in the quarter ending march 2017 as against that of 2016. But in some cities like Noida, Greater Noida, Chennai, Bengaluru and Hyderabad it had gone up.

Review:

50 cities are monitored by NHB out of 27 cities have witnessed improvement in price in the quarter ending March 2017. RERA plays a major role behind this as it is putting hurdles in the way of developers from selling their stock before registration, which has created a fear in developers so they are trying sell their stock of project which had got CC, so they do not have to register.

4. Vaibhav Ganjapure (27th July 2017) in his article "Bombay high court directs builders to meet July 31 RERA registration deadline" published by Times of India stated that Bombay high court had declined to extend the deadline of registration under RERA. Only few percentage of builders have registered their project under RERA. In Maharashtra only 15% builders have registered their projects under RERA. Builders are approaching court to delay the dates but court has its point that cannot be delayed.

Review:

It is mandatory to register projects under RERA and many builders have kept their plan on hold and the deadline is on its way. Court is not going to delay the deadline date. Now developers who have not been registered cannot advertise or sell their projects.

5. Sobia Khan (13th July 2107) in her article "Real estate brokers fear state RERA rules with hit them" published by ET bureau. Stated that Real estate brokers of Bengaluru are afraid that RERA will have a negative impact on their businesses, it is because of increase in the registration fees. Bengaluru is charging more than any other state in India, which the real estate agents cannot afford to pay.

Review:

This article is in favor of real estate agent of Karnataka. Recently in Karnataka the fees for registration is revived which is comparatively high as compared to other states. To get registered in RERA, you have to pay Rs.250000 in Karnataka, wherein Maharashtra it is Rs.100000. Demonetization and implementation of RERA has made a huge impact on real estate industry, many brokers in Karnataka can afford to pay higher fees to get registered.

3. Study Objective and Research Methodology

Main objective

To Study how RERA is going to affect consumer buying behavior while buying a residential real estate property

Secondary objectives

- To study how RERA is changing dimensions of Real estate Industry
- To study what consumer will think while buying property after implementation or RERA
- To study whether introduction of RERA had a positive, negative impact on the industry

Sources of Data

Sources of Data

For our study, we collected Secondary Data:

- Secondary Data was collected from internet browsing various websites.

4. Rise and fall of the real estate sector since liberalization:

For decades the sector has faced a gamut of issues primarily stemming from real estate developers. Major problems include:

- delay in construction and delivery of flats,
- lack of transparency,

Incorrect information related to area/size of the property, etc.

The resulting effect of these issue is low investor and buyer confidence, liquidity crisis and un-affordable property rates in the recent decade.

However this was not always the case. In the aftermath of the liberalization of the Indian economy in the 1990s', the real estate sector saw a significant boost in the domestic investments. It quickly became one of the biggest contributor to the country's Gross Domestic Product (GDP) (CRISIL 2010). In 2005 the Indian government opened its door to foreign investors in the real estate sector. It became one of the top 5 sectors to attract foreign direct investment in India.

While the sector saw a steady inflow of foreign investments for the initial few years. However, the system remained opaque with lack of accountancy on the flow of funds, infusion of black money and misuse of investor's money. Developers were engaging in detrimental practices like diverting the buyers' money towards creating massive land banks in order to show more activity in their annual reports.

After the money for construction activities ran out, the projects had to be stalled and developers defaulted on deadlines. When buyers failed to get their property on time they started defaulting on their loans, affecting investors' business too. Consumers eventually started losing interest in purchasing property but new projects kept coming up, especially in metro cities. Due to this trend, the sector is experiencing an inventory pile-up which is bad news for not just developers but also investors and allied industries such as construction and furniture (Indian Express 2016).

5. RERA (Real Estate Regulation Act, 2016)

5.1 State wise RERA implementation

5.2 Reasons for introducing RERA

Indian real estate sector has been facing a slump since 2012. This is due to factors like:

1. unemployment,
2. inventory pile-up,
3. recession,
4. low rental yield,
5. Unclear taxes and arbitration.

However, the property prices have not stabilized accordingly (The Indian Express, 2017). As a result demand for property has decreased further. This reduced demand is causing a slowdown in recovery of investment for builders.The major issue facing the sector is lack of transparency. The system until recently was opaque with regards to price, construction delay, construction quality, ownership (title) and litigations. Of these, the biggest issue is delay in delivery of property to buyers. During the last two decades the number of under construction properties rose to an all-time high. Particularly in major cities many builders have flouted norms by failing to keep up with project deadlines (The Economic Times, 2017). For a homebuyer investing his life savings in the property, indefinite delays are a cause for worry. Property agents or brokers took advantage of prospective homebuyers by misinforming them about quality of construction and completion. They misled homebuyers regarding amenities of the property. They would give assurances orally regarding property documents which were often missing or incomplete. Furthermore, the agents would hide the status of properties under litigation from prospective buyers (Sharma, 2017).

5.3 Impacts on various stakeholders:

5.3.1 Impact of RERA on new projects Any project with over 8 apartments or size of over 500 sq. mt. is required to be registered under RERA. The developers have to register each stage of construction independently with the state Tribunal. Since builders have to register their new projects, big players cannot pre-launch a project. Pre-launches used to be the major source for raising the capital (Mehta, 2016). It means the developers now have to borrow capitals at higher rates which will be ultimately bore by the consumers. Also there is a cap on the amount of deposit builders can accept from buyers. Under RERA a builder cannot take more than 10% as initial deposit. Advertising a project without registering it first is also banned. The Act also addresses two major issues faced by buyers:

- delay in construction and
- Quality of construction.

In both cases if a builder flouts on the RERA norms, he or she will be liable to compensate the buyer for the loss. The compensation is decided in the initial agreement signed between the parties. It also specifies the amount of interest payable by the builder in case of construction delays.

5.3.2 Impact of RERA on ongoing projects The developers who still has under construction projects may face difficulty due to RERA. As per the Act, all the ongoing projects have to now register first with the regulatory authority before moving further in completing the project. They are also prohibited from advertising or promoting the property before registration. These steps are likely to delay construction and sale of existing property greatly. RERA also mandates builders to issue occupation or completion certificate before handing over possession to the buyer. As of today there are lakhs of flats in all major cities of India like Mumbai and Bangalore who have failed to do so. The further step to regularize such properties remains unclear. Another concern for these developers is whether they will get the certificates on time or not. Lastly, in cases where developers seek an extension the amount of time granted for project completion would depend upon the authority.

5.3.3 Impact of RERA on builders Under RERA builders are mandated to register critical information regarding the project. This includes:

1. layout,
2. promoter details,

3. land title status,
4. statutory approval status,
5. agreements,
6. details of the brokers,
7. Architects and contractors.

Failure to register this information will lead them to penalties. They are bound by a five year agreement with the buyer for quality assurance. This means that within five years of selling a property, if construction quality issues arise they will have to repair it. Moreover, they have to ensure formation of Residents' Welfare Association within three months of the project completion (Reddy, 2017). RERA clause that buyers can claim a refund in case of delay or dissatisfaction with property puts developers in a fix. In case many of them claim refund in one go, it will affect developers badly as liquidity in construction and real estate is very low (Sinha, 2016).Apart from disclosing critical information mentioned above to buyers, they also have to state the exact size (carpet area) of the property. They can no longer state super-built up area (i.e. common area, verandah, etc.) as size of the property. Due to this they can no longer charge buyer the amount for super built up area. Therefore these charges will be passed on to the buyer as increased carpet area price. Also, it is expected that cost for developers will increase as they can start selling only after getting the approval. There will be consolidation in the market and thus, only few players may exist (FE Online, 2017).Currently, developers are postponing their new launches in order to understand the impact of RERA act and focus more on completing the existing projects. It means there will be fewer launches due to uncertainty. There were 73% less launches in the second half of 2016 as compared to the same period of 2015.

5.3.4 Impact of RERA on the buyersRERA has been introduced mainly to protect the interest of property buyers. In order to increase transparency regarding project completion status, it mandates developers to disclose the construction status on the Authority website. This has to be done on quarterly basis. In case of any misdoing by the developer, the buyer can file a complaint with the Authority. Their complaints are mandated to be resolved within 120 days. Finally, builders cannot change any aspect of the structure without prior approval from all the buyers (Business Today, 2017). All these measures, in addition to those mentioned the above section, are expected to boost investor confidence. The amount of unsold inventory in cities is likely to go down with RERA implementation.

5.3.5 Impact of RERA on Agents and brokers: Traditionally, the Indian real estate agents have been an unorganized segment of this sector. However, the new legislation makes it mandatory for the brokers to register themselves to facilitate a transaction. According to an estimate, there are 5,00,000 - 9,00,000 agents in India which has unorganized and unregulated affair (Singh, 2017). Under RERA, brokers will no longer be able to sell properties unregistered with the Authority. They will also be penalized in case of wrong information given to buyers regarding the property. However, the fear among industry players is that many unorganized brokers will find themselves out of work. Agents need to pay a fee in order to register themselves. Moreover, in case of builders flouting on their promises, agents will be penalized. Citing issues of lack of faith on builders and lack of benefits for agents under RERA, many agents will choose to shut shop.

6. Limitations of the Real Estate Regulator Bill: There is also a downside to the provisions of the Real Estate Regulator Bill (RERA). According to this bill developers now have the liberty to use only 30% of the funds for other purposes. Purchase of land may become more expensive because banks are not allowed to lend money for land purchase. NBFCs' may increase their rates of interest (presently hovering between 15 and 18%) which developers will be forced to pay. This additional cost might ultimately lead to increase in property prices.Also in case of projects in which construction cost is estimated to be less than 70%, there is no clarity as to how the case will be treated. Moreover, maximum construction time is spent in obtaining necessary government permissions and licenses. However the Act does not set any deadline for these government agencies to process them. It is important to address these issues in order to further strengthen the scope of the Bill.

7. Future Scope: The Act applies to under-construction as well as new projects. Residential and commercial projects are included in its ambit. Real estate agents or brokers too are included in the purview of the Bill. The scope of the Bill covers all parties to a real estate transaction. The purpose is to ensure greater accountability and transparency in the system.

RERA requires all states in India to set up an Appellate Tribunal to address homebuyers' grievances. The Act requires all builders to register their projects with the Tribunal before initiation. The registration process requires them to detail the design and state the deadline for completion. If the deadline is not met they are liable to compensate the buyers and face penalties and or criminal charges. Moreover, until recently most of them were diverting the funds to launch other new projects without completing ongoing ones. This used to cause a delay in ongoing projects due to lack of funds. Under the Act, builders are required to set aside 70% of the initial funds in escrow account for construction of the property. This will ensure that projects are not held up due to lack of funds.

Real estate (regulation and development) Act is a significant and crucial law which will impact the whole real estate sector and it is going to change the whole picture of real estate industry forever. It has made real estate industry more transparent. RERA has made the consumers real winner of the industry and also it is going to protect them from unscrupulous activities. Research had RERA has generated a trust in the mind of the consumer to invest in real estate. Home buyers are agreeing to the clauses of RERA they are going too protected with regulatory body. Major home buyers who are currently now focusing on price will shift to think about amenities, brand, and location. This study is only complaint towards RERA and real estate consumers, real estate promoter and real estate agent.

8. Recommendation: RERA had changed the dimension of real estate sector. Developers are in fear about the norms in the act. In this research it is concluded that RERA has created a trust factor in the ideology consumers while buying real estate property. It is recommended to developers that they should disclose their proper track record of the projects. Real estate agents should promote only RERA registered projects and disclose only that information which is provided by developers on RERA website**.**

9. Conclusion: The RERA move coupled with Goods and Services Tax implementation is seen as a positive move for the sector. The main issues plaguing real estate in India were transparency and accountability, which have been tackled now. Such has been the impact of RERA that when the website was launched in Uttar Pradesh state, 15000 complaints were registered in a single day from Noida region alone. However the response in some states to RERA has been dissatisfactory. In Haryana, buyers have complained that they are excluded from RERA if they have already moved in to the property. Thus, they cannot file a complaint for lack of services or amenities provided by the builder. The full effect of RERA will come only after a year since each state is setting up its independent legislation and a standardized measure for success will take time to build.Right now, the industry needs an infusion of funds to restart stalled projects and to initiate new, affordable projects. The Real Estate Regulator Bill or RERA is a step further in support of the government's 'Housing for all by 2022' scheme has received a major boost due to the bill. The time is ripe for investors to aggressively team up with developers to fist clear the ready-to-move inventory stockpile and look at developing affordable property in tier 2 and tier 3 cities and villages across India. With such large scale positive reforms set to take effect from next year, the sector will see a dramatic resurgence which everyone has been hoping for.RERA has made homebuyers king of the industry. It has given first priority to the homebuyers. This regulatory body has made real estate industry more transparent.

There is scope of more professionalism in this sector as the Developers and Real estate agent both have to adhere the norms and conditions of RERA

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REFORMS IN TAXATION: GST & ITS IMPACT

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Abstract

In the month of May 2015, the Lok Sabha passed the Constitutional Amendment Bill to introduce Goods and Service Tax (GST) and later passed by Rajya Sabha. The approval was delayed because of some changes required in the basic bill and all the states were not in favour of various provisions of the bill, particularly in sharing the revenue as the revenue will be collected by the central government and revenue of state government was at stake. Goods and Service Tax is an indirect tax levied on the supply of goods and services. GST law has replaced many indirect tax that preciously existed in India. GST was introduced in the month of July 2017. Previously that is before 1st July 2017 there were many taxes under the head indirect taxes such as Value Added Tax (VAT), Service Tax, Central Excise Duty, Central Sales Tax (CST) etc. GST helps the customers to know how much tax they have to pay for a particular good or services. Luxury cars made in India saw a decline in their prices, as they are categorised in the lower tax bracket under GST. The data collected is secondary data i.e. is the periodicals published by the CBIC. Required statistical technique is used to verify the data collected. The goods and services considered they are Gold, Hotel industry, Toxic beverages. Gold and Toxic beverages has good impact whereas the Hotel industry do not have a good impact. Therefore it is concluded that GST has a good impact on taxation system.

Keywords:-*GST, Constitutional Amendment Bill, Luxury cars, Revenue*.

Introduction:-GST was introduced on 1st July 2017**.** It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 following the passage of the Constitution 122nd Amendment Act Bill. GST has brought in as 'one nation one tax' system.It is governed by a GST council and its chairman is Mr. Arun Jaitley. There are 3 types of GST i.e. CGST (Central Goods and Service tax), SGST (State Goods and Service tax) and IGST (Integrated Goods and Service tax). There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. GST leads to double taxation claimed by The Institute of Chartered Accountants of India (ICAI). ICAI suggested to remove the instances of double taxation under Goods and Service Tax (GST). It is suggested that credit available to composition assessee be passed to the recipient like it was under central excise law.GST is boost competitiveness and performance in India's manufacturing sector. Declining exports and high infrastructure spending are just some of the concerns of this sector. Multiple indirect taxes had also increased the administrative costs for manufacturers and distributors and with GST in place, the compliance burdens has eased and this sector will grow strongly. But due to GST business which was not under the tax bracket previously will now have to register. This will lead to lesser tax evasion.As of March 2104, there were more 1200000 service tax assessees in the country out of which only the top 50 paid more than 50% of the tax collected nationwide. Most of the tax burden is borne by domains such ass IT services, telecommunication services, the insurance industry, business support services. Banking and Financial Services, etc. These pan India businesses already work in a unified market and will see compliance burden becoming lessor. But they will have to separately register every place of business in each state. There is a recent amendment made that is 178 items from the slab of 28% and presently there are only 50 items which will be taxed at the rate of 28%.

Objective:-To study the impact of GST on Gold, Hotels and Toxic beverages

Hypotheses:-The impact of GST on Gold, Hotel Industry and Toxic beverages is good.

Review of literature:-Goods and Service Tax-The Road Ahead by Dr. Megha Agarwal[1]

1) GST Made Simple: A Guide to GST in India by Awdhesh Singh[2]

Scope & limitation:-The Act was passed in July 2017. Only 3 goods and services are considered.

Taxation system in India:-Earlier we had Service Tax, Central Excise Duty, Central Sales Tax, VAT (Value Added Tax), custom duty**.** For services provided the rate of tax was 15% almost all services were covered under service tax. Custom Duty is levy on the goods that are imported. For every transaction there were different rate of tax. GST helps us with a particular rate of tax to be paid on any transaction. The revenue earned from indirect taxes was differentiated on the transaction i.e. VAT is classified as revenue for State Government and Custom Duty is classified as revenue of Central Government. GST is equally divided between the State and Central Government.

GST on 3 selected:-On purchase of GOLD the jeweller used to charge VAT at the rate of 1% whereas GST is charged at the rate of 3%, which increases the amount to be paid by 2%.

In case of hotel industry service tax at the rate 15% was charged whereas rate under GST are changed 2 twice i.e. it was 18% for A/C restaurants and now 5% equal to Non A/C restaurants.

The toxic product includes alcohol, pan masala, ghutkha, drugs etc. They are taxed at a higher rate as they are harmful but legally allowed. They are taxed at the rate of 28% under GST.

Findings:-It was found that the customer has to pay more out of his pocket as they are not getting any benefit except the restaurants where they have to pay 5% GST and earlier they had to pay 15% of Service Tax. Even if the rate is reduce the prices of the dishes are raised and hence doesn't make any difference. The gold changes as the prices in the international market changes. The current rate of gold is Rs.28795.00, if we buy gold at the current it would cost at Rs.29658.85 the difference due to GST is Rs.863.85. If we consider VAT the amount to be paid would have been Rs.29082.95. The excess amount of Rs.575.90 can be treated as revenue earned by the government due to GST.It is always seen that the government who ban the toxic beverages has to give up their revenue as they get more taxes from this these products and the amount later is collected by levying different type of taxes.

Conclusion:-Implementation of GST is one of the best decisions taken by the government. In India we have 29 states and 7 union territories which had their own tax rates which were unfair for those who had to pay more taxes in one state and the other would enjoy low tax rates in another state. GST gives us a uniform rate for the specified goods and services. Confusions and complexities will happen but we need to accept it as it will change the financial position of the country and will help in development of the country. Hence GST has good impact on taxation system in India.

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ROLE OF RETAILERS IN INDIA IN RESPECT OF FILLING OF RETURNS UNDER GST LAW

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Abstract
GST i.e. Goods & Services Tax was implemented in India from July 2017 which is a path breaking Law which is Revolutionary in its submerging in its self-many of the Indirect Tax Laws such as VAT, Excise & Customs etc. simplifying the admirations and Compliances of filling the necessary returns which had made the dealers including the Retailers GST Law as user friendly. An attempt has been made in this Paper to study the impact of GST on Retailers and there obligation in respect of filling the returns under GST Law
Key Words: GST, Retailer, Tax, Returns.

What is GST?

Goods & Services Tax Law in India is a comprehensive**,** multi-stage, destination-based **tax** that is levied on every value addition.
In simple words, is an indirect tax levied on the supply of goods and services. GST Law has replaced many indirect tax laws that previously existed in India such as VAT Excise Customs etc.
There are 3 taxes applicable under GST: CGST, SGST & IGST.
CGST: Collected by the Central Government on an intra-state sale (E.g.: Within Maharashtra)
SGST: Collected by the State Government on an intra-state sale (E.g.: Within Maharashtra)
IGST: Collected by the Central Government for inter-state sale (E.g.: Maharashtra to Tamil Nadu)
In most cases, the tax structure under the new regime will be as follows:

Transaction	**New Regime**	**Old Regime**	
Sale within the State	CGST + SGST	VAT + Central Excise/Service tax	Revenue will be shared equally between the Centre and the State
Sale to another State	IGST	Central Sales Tax + Excise/Service Tax	There will only be one type of tax (central) in case of inter-state sales. The Center will then share the IGST revenue based on the destination of goods.

Retailer Meaning
A Business or person that sells goods to the consumer, as opposed to a wholesaler or supplier, who normally sell their goods to another business. Retail is the sale of goods to end users, not for resale, but for use and consumption by the purchaser. Retail involves the sale of merchandise from a single point of purchase directly to a customer who intends to use that product.The retail transaction is at the end of the chain. Manufacturers sell large quantities of products to retailers, and retailers attempt to sell those same quantities of products to consumers.

RETAILERS NEED TO FILE SINGLE GST RETURN EVERY MONTH: Talking about the return filing that when a supplier uploads details of sale invoices, a GST Return-1 is generated by 10th of next month also 80 per cent of the businesses will have to simply file total turnover detail in return because they are all B2C dealers or retailers. The details from the suppliers in GSTR-1 automatically get updated in the GST Return-2 with the help of the computer on its own account by just clicking it and accepting it. It needs to be filed by 15th of next month. While only B2B dealers have to file both GSTR-1 and GSTR-2, retailers do not need to file the GSTR-2 as they have to only match with what the dealer has uploaded on the GST Network. According to him filing GST is not at all complex and 80 per cent of the businesses will have to just file total turnover.

As regards traders, manufacturers or eateries opting having turnover up to Rs 75 lakh and have opted for composition scheme, they will just have to give their total turnover in GSTR-1 and no invoice wise detail is required. These businesses will have to file just one return every three months.
Further that to keep the invoice wise details ready the GSTN will launch an excel sheet format for B2B dealers so that they can keep the. As per the revised return filing timeline decided by the Council, for July, the sale returns will have to be filed by September 5 instead of August 10. Companies will have tofile sale invoice for August with the GST Network by September 20 instead of September 10 earlier which has to be filed by 18th of the month in the succeeding quarter.

CONSOLIDATION OF BANKS - A WAY FORWARD

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Abstract

The Banking System forms the core of the Financial Sector of any economy. The role of Commercial Banks is more relevant in developing economies. Public sector banks hold over 75 percent of total assets of the banking industry, with the private and foreign banks holding 18.2 percent and 6.5percent respectively. The study brought to light that PSBs have not been technology responsive as much as their counterparts in Private Sector. PSBs also lack appropriate strategic planning resulting in lower operational efficiency. One of the solution to this problem is Consolidation which is an effective means to acquire competitive size , geographic expansion, huge loan portfolios ,improved technology ,product diversification and reduced transaction costs in Indian banking sector. Moreover, bigger the size, better would be a bank's capital adequacy ratio and risk management capabilities.

This study exhibits the objectives, needs and advantages of consolidation in banking sector in India. It also emphasis on the rising NPA of Banks.

Introduction-Consolidation is of the solution which helps Banks from failing down for which one the is major reason is NPA. Also restructuring of banks help in proper management, reduction in operating cost, increasing customer service and performs many more functions.Indian banking industry has recently witnessed the roll out of innovative banking models like payments and small finance banks. RBI’s new measures may go a long way in helping the restructuring of the domestic banking industry. India cannot have a healthy economy without a sound and effective banking system. Consolidation is of the solution which helps Banks from failing down for which one the is major reason is NPA. Also restructuring of banks help in proper management, reduction in operating cost, increasing customer service and performs many more functions.

Objectives-

1. How loans become bad loans or NPA
2. Why Does the problem of NPA occur
3. To Study growth in NPA of Public sector and Private sector banks
4. To study the reasons behind consolidation of Banks

Literature Review-

Kumar (2013) in his study on A Comparative study of NPA of Old Private Sector Banks and Foreign Banks has said that Non-performing Assets (NPAs) have become a nuisance and headache for the Indian banking sector for the past several years. One of the major issues challenging the performance of commercial banks in the late 90s adversely affecting was the accumulation of huge nonperforming assets (NPAs). The quality of loan portfolio is very crucial for the health and existence of the banks. High level of (NPAs) has many implications on profitability, productivity, liquidity, solvency, capital adequacy and image of the bank.

Selvarajan & Vadivalagan (2013) in A Study on Management of Non-Performing Assets in Priority Sector reference to Indian Bank and Public Sector Banks (PSBs) their research paper has studied that the growth of Indian Bank’s lending to Priority sector is more than that of the Public Sector Banks as a whole. Indian Bank has slippages in controlling of NPAs in the early years of the decade. Therefore, the management of banks must pay special attention towards the NPA management and take appropriate steps to arrest the creation of new NPAs, besides making recoveries in the existing NPAs. Timely action is essential to ensure future growth of the Bank.

Methodology-Secondary data-The data are collected from the secondary sources such as magazines, journals, etc. These sources consists of already variable data in thru form of statements and reports which may include sensory reports of government departments etc. it was collected from internal sources. The secondary data was collected on the basis of newspapers, magazines, management books preserved information in the database and the websites.

Structure of Indian Banking System-

Reserve Bank of India (Apex Bank)

(A)Unscheduled Banks

(1)Cooperative Banks

(B)Schedule Banks

(1)Commercial banks

-Public Sector Banks

- SBI and Associates
- Other Public Sector Banks
- Other Nationalized Banks

-Private Sector

-Foreign Sector Banks

-Regional Rural Banks

NPA(Non Performing Assets)-According to RBI, terms loans on which interest or instalment of principal remain overdue for a period of more than 90 days from the end of a particular quarter is called a Non-performing Asset. NPA refers to a classification for loans on the books of financial institutions that are in default or are in arrears on scheduled payments of principal or interest. The non-payment of interest or principal reduces cash flow for the lender, which can disrupt budgets and decrease earnings.

Classification of assets of Banks in Terms of repayment Status-

PROVISIONING NORMS

Category	Provision Required (%)
Standard Assets	❖ Direct Advances to Agriculture & SME Sectors - 0.25% ❖ Commercial Real Estate Advances - 1% ❖ Advances to Commercial Real Estate (Residential Housing Sector) - 0.75% ❖ All other Loans & Advances not included in above - 0.40%
Substandard Assets	❖ Secured Exposure - 15% ❖ Unsecured Exposure for Escrow A/cs available in case of Infrastructure lending, infrastructure loan accounts - 20% ❖ Other Unsecured Exposure - 25%
Doubtful Assets	❖ Up to one year :- Secured - 25% & Unsecured - 100% ❖ One to three years :- Secured - 40% & Unsecured - 100% ❖ More than three years :- 100%
Loss Assets	❖ 100% of outstanding amount

Causes Of NPA-

1. Lack of proper monitoring and follow-up measures.
2. Non transparent accounting policy and poor auditing practices.
3. Criteria for classification of assets.
4. Classification of agricultural and non-agricultural loans is required to be done.
5. Business Failure
6. Lack of coordination between banks/FIs .
7. Inefficiency in management
8. Slackness in credit management and monitoring

Impacts Of NPA-

1. Lenders suffer lowering of profit margins.
2. Stress in banking sector causes less money available to fund other projects, therefore, negative impact on the larger national economy.

3. Higher interest rates by the banks to maintain the profit margin.
4. Redirecting funds from the good projects to the bad ones.
5. As investments got stuck, it may result in it may result in unemployment.
6. Investors do not get rightful returns.
7. NPAs related cases add more pressure to already pending cases with the judiciary
8. The non payment of interest or principal reduces cash flow for the lender, which can disrupt budgets and decrease earnings.
9. Loan loss provisions, which are set aside to cover potential losses, reduce the capital available to provide subsequent loans.

Steps That can Prevent piling up Of Bad Loans-

I. Conservatism
II. Improving processes
III. Relying less on restructuring the loans
IV. Expanding and diversifying consumer base by innovative business models
V. Centralised model
VI. Risk Management

Types of NPA-

Gross NPA-Gross NPA is the amount outstanding in the borrowal account, in books of the bank other than the interest which has been recorded and not debited to the borrowal account.

Net NPA-Net NPAs is the amount of gross NPAs less (1) interest debited to borrowal and not recovered and not recognized as income and kept in interest suspense (2) amount of provisions held in respect of NPAs and (3) amount of claim received and not appropriated. The Reserve Bank of India defines Net NPA asNet NPA = Gross NPA – (Balance in Interest Suspense account + DICGC/ECGC claims received and held pending adjustment + Part payment received and kept in suspense account + Total provisions held)

COMPARISON OF NPA'S OF BANKS IN LAST 5 YEARS-

PUBLIC SECTOR-STATE BANK OF INDIA- (Amount in Crore)

NPA	Mar13	Mar 14	Mar 15	Mar 16	Mar 17
Gross NPA	51,189.39	61,605.35	56,725.34	98,172.80	112,342.99
Net NPA	21,956.48	31,096.07	27,590.58	55,807.02	58,277.38

PRIVATE SECTOR-ICICI BANK-

(Amount in Crore)

NPA	Mar13	Mar 14	Mar 15	Mar 16	Mar 17
Gross NPA	9,607.75	10,505.84	15,094.69	26,720.93	42,551.54
Net NPA	2,230.56	3,297.96	6,255.53	13,296.75	25,451.03

Merger-A *merger* usually involves combining two companies into a single larger company. The combination of the two companies involves a transfer of ownership, either through a stock swap or a cashpayment between the two companies. A merger sometimes involves new branding or identity of the merged companies. Otherwise, a merger may lead to a combination of the names of the two companies, capitalizing on the brand identity of both companies.

SBI Merger with other 5 Banks-The merger of State Bank of India’s five associate banks with the parent will become effective in the new fiscal year. Entire undertakings of these five banks shall stand transferred to and vested in State Bank of India from April 1, 2017. The Union Cabinet earlier this month approved the merger of State Bank of Bikaner & Jaipur, State Bank of Mysore, State Bank of Travancore, State Bank of Patiala and State Bank of Hyderabad with SBI. Among the listed ones, SBI holds a 75 per cent stake in State Bank of Bikaner & Jaipur, 90 per cent in State Bank of Mysore and

79 per cent in State Bank of Travancore.The merger will create a bigger SBI that will account for nearly a quarter of all outstanding loans in the country. The combined entity will have a network of nearly 23,000 branches, further increasing the dominance of the country's largest bank. After the merger, SBI is set to be among the top 50 large banks of the world. SBI was ranked 52 in the world in terms of assets in 2015, merger will see it break into the top 50.The government had earlier said the SBI-associate merger was an important step towards strengthening the banking sector through consolidation of public sector banks. The merger is likely to result in recurring savings, estimated at more than Rs.1,000 crore in the first year, through a combination of enhanced operational efficiency and reduced cost of funds, the government had earlier said.

Impacts of SBI Merger-

On Employees-The bank has, in its offer letter, advised the employees to indicate their Terminal Benefit Option of either going with SBI's Terminal Benefit conditions or preferring to stay put with the superannuation benefit of the respective associate bank.

By opting for the SBI Terminal Benefit, the associate bank employees, who joined service after April 1, 2010 would get the bank's contribution to Provident Fund from the date of joining SBI, gratuity and Defined Contributory Pension Scheme (DCPS) pension as available to SBI employees.

On Customers-Loyal customers in the region of different associate banks of State Bank of India (SBI), who are accustomed to special privileges and bound by the trust factor, may shift their loyalties to other regional banks, resulting in a drop in customers once the associate banks merge with SBI.Regional customers are more attached to our bank than the main SBI. We apprehend that few customers might move to other banks but we are trying our best to make them realise that the exposure and network will expand after the merger, which will be an advantage for them.Bankers of associate banks are trying to convince customers that after the merger, regional bank lending rates will be at par with SBI and its presence will increase even in remote areas.

On Economy-The merger benefits include getting economies of scale and reduction in the cost of doing business. Technical inefficiency is one of the main factors responsible for banking crisis. The scale of inefficiency is more in case of small banks. Hence, merger would be good.After merger, Indian Banks can manage their liquidity – short term as well as long term – position comfortably. Thus, they will not be compelled to resort to overnight borrowings in call money market and from RBI under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

CONSOLIDATION AND RECAPITALISATION OF BANKS-Various measures have been taken by the government and the RBI to address the issue of NPA and restore the health of banking sector. The Government, as a part of the 'Indradhanush' scheme has committed capital allocation worth Rs 70,000 crores out of budgetary allocations till 2018-19. However, this amount is way below the requirements and it is estimated that PSBs need to raise an additional Rs 1,10,000 crore from the market. Another step which is being deliberated is bank consolidation of Public Sector Banks. This appears to be a pragmatic step given the current circumstances. Most of the PSBs in India are competing within themselves; most of them have same business models and compete in the same segments as well as same geographies. Thus, there is a huge scope of consolidation in this sector.India needs to have large banks (global sized banks) that can support the investment needs of economy and sustain economic growth. To meet the growing credit demand of the economy, the Public Sector Banks need to be well capitalized and need to enhance their capacity to lend to larger companies and larger projects. Consolidation of Public Sector Banks into 4 or 5 banks would create larger banks with capacity to fund larger size projects of economic importance.

Advantages and Disadvantages of Consolidation process-

Advantages-

1. Business gap Filled

2. Improvement in Financial Health
3. Talent and Team Upgradation
4. Better Customer Service
5. Secular Trade Unions
6. Employee Benefits

Disadvantages-

1. Customer dissatisfaction
2. Management Issues
3. Employee Discontentment
4. Poor Culture Fit
5. Customer Impact and Perception

Conclusion-The trend of consolidation in Indian banking industry has so far been limited mainly to restructuring of weak banks and harmonization of banks and financial institutions. Voluntary mergers demonstrating market dynamics are very few. We strongly support the view that Indian financial system requires very large banks to absorb various risks emanating from operating in domestic and global environments. Based on these results, on the policy side we suggest that RBI should activate the Prompt Corrective Mechanism which helps in identifying the sick banks and the timing of the merger may be advanced to avoid total collapse of the bank.Bank mergers and acquisitions are complex procedures with the possibility of extraordinary payoff – or extraordinary peril – so it's important that you handle your upcoming M&A event with care. Keep these benefits and dangers in mind as you combine the processes of each different bank, and you'll be on your way to a successful merger or acquisition.

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REFORMS IN BANKING SECTORS DUE TO DIGITALIZATION

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Abstract

This research paper highlights the economic analysis of banking Sector. It also examines the contemporary relevance of the economic analysis of bank with reference to India. The study concludes that it has crucial importance in the present India. The study can be useful for the policy makers, researchers and many others people.

Introduction:-In the development country like India Banking sector play important role for development of our economy. Digital Banking facilities have many features and capabilities in word. Digital Banking achieve good place to enhance the delivary of key service and improve customer experiences accross channel. Bank must execute their digital strategy to speed up their functions. Consumers around the world are also accepted digital banking facilities. Digital technology empowers the customer transforming their relationship with bank for providing banking facilities.

Importance of digitalization in banking sectors It changes consumer behavior in favour of digitalisation. Consumer can give quick feedback. Bank use digital currencies for transactions. It Reduce workload of manpower.Bank can provide 24 hours services.

Scope of digitalisation in Banking Sectors. It brings revolution changes in banking sectors. New customers engage with them.Future of banking due to digitalisation becomes happiest. Bank can deliver services over the word wide. Reduce paper work & documentation. Easty transfer data from one branch to another. Electronic payment system.

Aims & Objectives of digitalisation in Banking Sectors.

Increase Mobility. Direct contact with customers.

Bank pays personal attention on consumer.

Quick services through bank.

Protecction to consumer in E – banking.

Research MethodologyA wide range of research methods are used in this research. Different types of instrument that is used in data collection. Choosing the right research method is fundamental to get proper result. A research method is a systematic plan for doing research work. Here primary & secondary data is used a research methodology.

Limitation of digitalization in banking sector

Indian economy grew very slowly which is surprising given that India unexpected demonetization operation which more disruptive mode in India. Prime ministered Modi has used this demonetization which affected mostly on poor people rather than rich. Because he uses the limit to deposit old currency to get new currency but prime ministered Modi don’t know about many poor people who live below poverty line in India. They don’t have bank account how they will get change and new currency from Bank. Still our India is not developed and there are many communities which are not developed and educated most of people are living on foot path.

Methods and materials:-This present paper is an attempt to highlight analysis of digitalization in banking sector. The Secondary data collected is the outcome of literature survey and material obtained from internet published papers, books proceedings and speeches of people.

Analysis and Discussion The last decade which marks the of liberalization and reforms in economy, has been an eventful one for the banking sector changing the face of industry. Banking today is a flourishing industry, focused on technological innovation. Internet banking has emerged as the biggest focus area in the digital transformation.

Reforms in Banking Sector due to digitalization: Banking sector today focus area in digital transformation agenda of banking sector. Indian Banks intensive use technology to increase revenue, enhance customers experience, optimize cost structure and manage enterprise risk. Time for reform RBJ Governer Raghuram Rajan. Digital Banking is the digitalization or moving towards online for cashless or online transactions and reduce traditional banking activities and programs that were only available to customers when physically, inside of bank branch This include activities like money deposit, withdrawals, transfers, Checking account and so on. RBI Governor Raghuram Rajan listen to ideas and he promote digitalization for cashless economy in banking sections which reduce frauds of bank and provide efficient services to people Raghuram Rajan encourage digital signature for authentication for customer. He suggested to reserve Banks of India to consider paperless account opening without Specimen Signature (Physically signs) for digitalization he use the method one time password, biometric authentication and digital signature could be used to open such account.

The banking industry observed that online verification of the Customer and capture Adhar card by UIDAI, through KYC Word is done. Demonetization is pushing India towards cashless society and bank prepares to deal with increase electronic transactions.

Suggestions:-Bank should provide training to consumer how to utilize technology in banking sector. Bank should give training to staff how to operate technology.When ATM machines are not working so bank provides alternative solutions.Increase literacy in rural area about digitalisation. Increase connectivity of digitalisation in rural area. Make strict laws for reducing cyber crimes. Increase inters – departmental coordination for improving digitalisation. Proper finance should be given to improve facilities of digitalisation.

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A STUDY ON IMPACT OF DEMONITISATION ON THE BANK CUSTOMERS

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Abstract

The research paper spotlighted a study on the impact of demonetisation on the Bank Customers. The term 'demonetisation' ruled the nation after demonetizing the high value currency.It is a radical monetary step in which a currency unit's status as a legal tender is declared invalid.It attempted to showcase the demonetisations done in various periods to eradicate black money,money laundering,fake currency, terrorism,etc.It also listed out the merits and demerits of demonetisation.The results of this study provides an insight into the demonetization process and about its short term and long term impact on the overall growth of the Indian economy and its GDP. It also suggested tips to common people to manage the toughest period of demonetisation.This article would give a clear picture of the demonetisation and the steps taken by our Government to reduce the trauma of common people.

***Key Words*: *Demonitisation, Money Laundering Black Money,Government&Currency,etc*.**

INTRODUCTION: In India, demonetisation has become the hottest topic to discuss nowadays. The word 'demonetisation' itself might not have been even searched for meaning before 8th November, 2016. After the great move of Demonetisation announced by Prime Minister of India, Narendra Modi, all started to speak about it. It has also been done in few other countries like Nigeria, Pakistan, North Korea, Zimbabwe, Myanmar, Australia, Singapore, Philippines and Soviet Union. With the historic move of demonetisation, India has stepped into a 'Cashless Age' which is a modern era of Plastic money and e-money. It is being done periodically to eradicate Black Money, Black marketing, Corruption, etc. This generation may not aware that during ancient times when shells and tobacco were used as money. Their demonetisations have grown up to so far in demonetizing the paper currency of Rs.500/- and Rs.1,000/-This research highlights the definition, and the three periods of demonetisation in India, merits and demerits, finding &suggestions,etc.

WHAT IS DEMONETISATION? The old unit of currency must be retired and replaced with new currency unit and its process is called demonetization. Demonetization is ending something as no longer the legal tender of a country such as currency notes.

According to Merriam Webster Dictionary: The term 'demonetisation' has its root word from verb 'demonetize'. It is a transitive verb which has various meanings as followed:
1. To stop using (a metal) as a monetary standard 2. To deprive of value for official payment _Demonetization has its origin in French 'demonetizer' de - + Latin moneta coin. It was first used in 19th Century, i.e. 1852.

In 2016, the Indian government decided to demonetize the 500 and 1000 rupee notes, the two biggest denominations in its currency system; these notes accountedfor 86% of the country's circulating cash. Public can deposit and change the currency from the banks and post offices till 30th December 2016.In the initial stages the daily limit of withdrawal from ATMs were 2500 rupees, which increased (within the overall weekly limits specified) with effect from January 1, 2017, from the existing **Rs 2,500 to Rs 4,500 per day.**

In India, High Currency is demonetized three times so far such as:
1. On 12th January 1946 - Rs.500, Rs.1000 and Rs.10,000 demonetized.
2. On 14th January 1978 –Rs.100, Rs.5,000/- and Rs.10,000/- demonetized.
3. On 9th November 2016 – Rs.500/-,and Rs.1000/- demonetized.

NEED FOR THE STUDY

1. The fake Indian currency notes in higher denomination have increased.
2. Unaccounted money, often used in any form of corruption and illegal activities.
3. The Financial Action Task Force, a global body that looks at the criminal use of the international financial system, notes that high-value bills are used in money laundering schemes, racketeering, etc.,
4. In the United States, the highest denomination bank note is $100 and United Kingdom, the highest denomination bank note £50.
5. The highest denomination note is essentially 50-100 times the smallest denomination note of one dollar or one pound.
6. In India, up until now the highest denomination note was Rs 1,000 and this was 1,000 times the smallest denomination note of Re 1 (Note: Re 1 notes are issued by the ministry of finance).

REVIEW OF LITERATURE:

Sukanta Sarkar (2010) conducted a study on the parallel economy in India: Causes, impacts & government initiatives in which the researcher focused on the existence of causes and impacts of black money in India. According to the study, the main reason behind the generation of black money is the Indian Political System i.e. Indian govt. just focused on making committees rather than to implement it .The study concludes that laws should be implemented properly to control black money in our economy.

Jain, P.M (2006),in the article "E-payments and e-banking" opined that e- payments will be able to check black" An Analysis of Growth Pattern of Cashless Transaction System. Taking fullest advantage of technology, quick payments and remittances will ensure optimal use of available funds for banks, financial institutions, business houses and common citizen of India. He also pointed out the need for e-payments and modes of e- payments and communication networks.

Arpit Guru and Shruti Kahanijow (2010) researcher analysed the black money income? Need for amendment in DTAA &ITEA and analysed that black money is spread everywhere in India up to a large extent which continuously stashed towards abroad in a very large amount. The researcher also identified how black money had caused menaces in our economy and in what ways it is used.

Singh (2016) The Demonitisation of rupees 500 and rupees 1000 notes was quite a surprise for the entire nation and the immediate ripple effect of this on the automotive industry was a DIP in the BSE auto index of 2.5 % On December 10, 2016. This is due to the fact that a number of potential buyers offer down payment in cash or sometimes, purchase a two wheeler with the complete cash payment

OBJECTIVES:

1. To describe the demonetization concept in India**.**
2. To analyze the demographic profile of the respondents in Mumbai
3. To understand the purpose/need of Demonetization of the banknote.
4. To identify the several problems faced by the people and their views and insights regarding demonitisation
5. To analyse its short and long term Impacts on Bank Customers (Pros & Cons).

SCOPE: The scope of the project is to study the impact of demonitisation on various bank customers**.** It covers a wide range of responses of various customers and their view regarding demonitisation**.**This study also shed lights on the various problems and difficulties faced by the people and how the GDP and overall growth of the country were reflected**.**This helps the researcher to know about the various aspects such as objectives, need, causes and effects of Demonitisation**.**The Study was conducted in Mumbai**.**

LIMITATIONS:

1**.** Survey was conducted only in Mumbai due to limited time**.**

2. Research only concentrated on Bank Customers.

3. Communication gap between the researcher and respondent was the major issue.

RESEARCH METHODOLOGY: The number of bank customers is invariably high. So, I have adopted a convenient sampling method and selected 80 customers from the Bank with different professions such as students, service and business.

With the help of sampling planning I have collected information about.

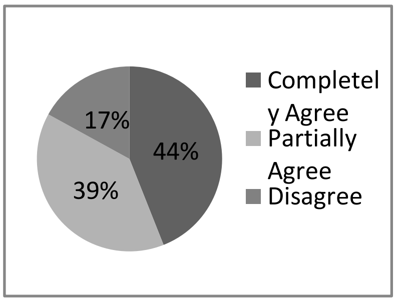
1. The most preferred mode of payment post Demonitisation.
2. The types of loans that have increased after demonitisation.
3. The difficulties that the customers of different banks faced due to demonitisation and the most affected class in the hierarchal ladder of the India's economy.
4. To know the views and insights of the customers i.e. whether they are in favour of this move and how much it reflected on the overall growth of the economy and its GDP.

ANALYSIS AND INTERPRETATION

There are various customers that are having their accounts in different banks. So I have collected the information from the 80 respondents classifying them according to their profession, age and gender.

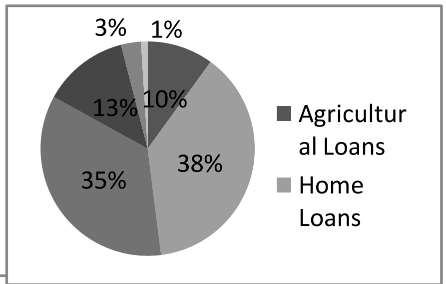
Demographic Profile of the People: Out of 80 respondents who were taken for the study: it has been identified that most (52%) of the respondent are male, (48%).The age group of 50% respondents is under 18 to 25 years,31% respondents under 25-40 years and 19% respondents above 40 years.

Our survey on '**Demonetisation'**which was answered by 80 people from various statuses like students, service men and entrepreneurs. It has discovered the following responses of the people:

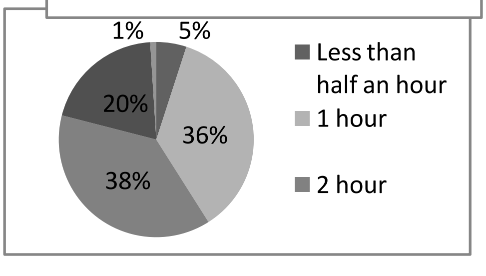


1. Government's move of banning old notes will help in curbing corruption and black money

It was found that 44% of the respondents completely agreed that demonitisation will help in controlling black money and money laundering; whereas 39% partially agreed with the step because they believed that this move was successful to some extent since few people didn't come forward due to the fear of penalty and imprisonment, however rest 17% people disagreed that demonitisation will be useful in the long run.



2. Type of loans has increased after demonitisation



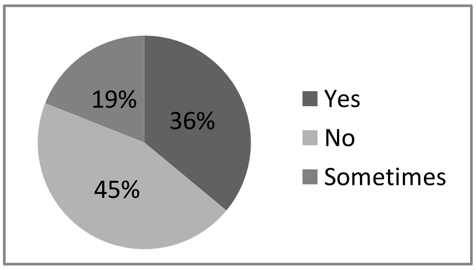
It was found that,10% of the bank customers stated that Agricultural loans has risen post Demonitisation ,38% said that home Loans has increased, however 35% of the respondents stated that loans on education has risen up, whereas hardly 3% of the people felt that gold loans has increased and just 1% said that there was no impact on the loans due to Demonitisation.

3.Duration of standing in the queues to withdraw/exchange your Cash

Out of the 80 respondents,5% had to stand in the queue for less than 1 hour for the withdrawal and exchange of money,whereas 36% stood in the queue for 1 hour,whereas 38% of the respondents had to stand for 2hours,20% had to stand for more than 4 hours and just 1% stated that he didn't stood in the queue at all.

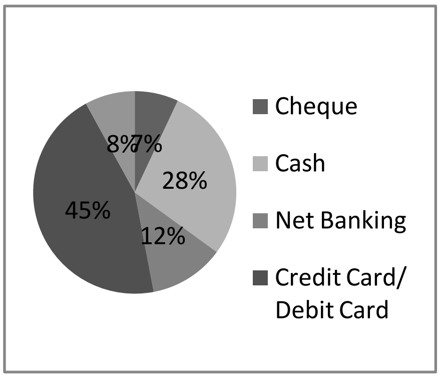
4. Supplying ATM's with Cash Regularly

Out of the 80 respondents, 36% faced the problem of cash shortage in the ATM, however 45% faced no problem in withdrawing cash from the ATM's in their locality whereas 19% of the respondents stated that sometimes the ATM's were supplied with cash but not regularly.



5. Most preferrable digital mode of payment currently

It was found that, 45% of the people believed that usage of credit card /debit card is the most preferred digital mode of payment, 28% people selected cash mode as the are mainly to consider as easy payment mode.E-wallets were very helpful during the time of demonitizationso 14% people think is the its easy mode of payment as its moslty access payment from phone. On the other hand, 12% of the people are reliable on Net banking and Cheque payment is used only 7% as it is time consuming method.



6. Major impact on the overall growth of the country after 9 November

Types of Response	**No. of Respondents**	**Percentage**
There was a slight increase in the overall growth	19	24%
The GDP of the country fall down	16	20%
There was no impact on the growth	32	40%
Other	13	16%

MERITS OF DEMONETISATION:

1. Crime activities like bank robbery, chain snatching, theft activites have been reduced.
2. Affected fake notes used to empower terrorism activity in India
3. Small vendors have been kindled to use Apps and Card machines.
4. Black money can be permanently demolished if follow up measurements are taken by the government.
5. Another major objective of the government achieved through demonitisation was to push the Indian economy towards becoming cashless. The government succeeded in encouraging people to use digital means for making transactions.

DEMERITS OF DEMONETIZATION IN INDIA

1. Every Coin has two aspects, although there may be several benefits of this demonetization; however the country was put in standstill mode.
2. People in villages and semi-urban areas are the most affected as the majority of transactions are made through cash.
3. After the demonetisation was announced, about 800,000 truck drivers were affected with scarcity of cash.
4. Destruction of old currency units and printing of new currency new units involve costs which has to be borne by the government and if the costs are higher than benefits then there is no use of demonetization.
5. Mainly targeted black money but if people have not kept cash as their black money and rotated or used that money in other asset classes like real estate, gold and so on then there is no guarantee that demonetization will help in catching corrupt people

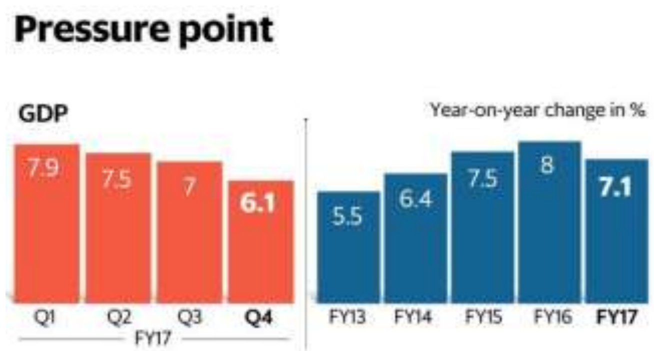
SHORT-TERM IMPACTS

1. GDP formation will be effected with the reduction in consumption demand. Consumption ↓→ Production ↓→ Employment ↓→ Growth ↓→ Tax revenue ↓
2. Certain sections of the society namely agriculture sector, small traders, households, SME's, daily wage earners etc. will face short term disruptions due to absence of liquid cash.
3. Money supply will reduce in the short-run until the new 500Rs. & 2000Rs. gets widely circulated in the market.
4. Short term recession in sectors like real-estate, construction material, textile, handicrafts etc.

LONG-TERM IMPACTS

1. Government revenue will boost up as more earnings would be declared. The unbanked people will move to banking like Jan-dhan contributing towards government's efforts of financial inclusion.
2. It will bring more business in taxation i.e. GST benefits.
3. Cash in system will boost educational loans and business loans thus bringing more opportunities.
4. Substantial increase in the demand of Digital transactions system, E-wallets, usage of plastic money, online transactions using E-banking etc.
5. Gold imports will be reduced because of the investments in gold by people as an alternative to cash deposit in the bank.

Demonetisation pulls down India GDP growth rate to 6.1% in Q4 2016-17



1. India GDP growth rate slowed to 6.1% in the fourth quarter of 2016-17 from 7% in the preceding quarter, mirroring impact of demonetisation on key sectors
2. India's GDP growth in 2016-17 came in at 7.1%, in line with the official estimate**.**
3. The slowdown may put pressure on the Reserve Bank of India, whose monetary policy committee meets next week, to cut policy rates to balance its inflation**-**targeting focus with the need to stimulate economic growth**.**

TIPS TO COPE UP WITH DEMONETISATION:

1. First priority should be to preserve cash. Only use cash to buy things which are essential. Any big spend like repair works where cash has to be paid may be postponed.
2. Try to use debit card as far as possible while purchasing in super markets or for bill payments.
3. Use cheques in place of cash or fund transfer to their bank account through net banking.
4. If you receive large amount of cash, deposit in bank account PAN card number is need for more than 50,000/- per day.
5. Deposit cash in bank accounts and pay tax ,paying tax is better than losing whole.
6. Don't help other people to turn their black money to white, tomorrow you will be answerable to the tax authorities for the source for such amount of money.

FINDINGS

1. Demonitisation was not a bad idea but its implementation was really shoddy & short-sighted.
2. As many of us might know - The central government 'advised' the RBI board to 'consider' demonetisation on 7th - The approval was granted on 8th - the announcement was made on 8th itself- at 8 PM..

3. There was also shortage of cash in the ATM machines during the time of demonitisation due to less number of notes printed by the RBI, therefore initially a limit of Rs 2500 withdrawal per day which was very less.
4. It has also disrupted the regular routine of many people because they has suffered from many problems such as marriage ceremony/family function was disturbed.
5. There was a sharp fall in the rupee against dollar.
6. There was an upswing in the use of digital mode of payment like Debit Card, E-Wallet and Net Banking due to the shortage of hard cash in the hand of the common man. Online transactions started occurring more often and the use of various apps like Paytm, MobiKwik, and Oxigen Wallet was risen up..
7. Prime Minister called it Shuddhikaran or cleansing of the Indian Economy and was mainly adopted to make our society cashless.

CONCLUSION: From the above research paper, it is evident that demonetisation is welcomed by the majority of the citizens with a common suggestion that the new notes might have been ready which would have reduced the defects of the same great move. Still it is expected by the every individual that the remedial steps have to be taken to facilitate them by printing sufficient notes which should be made available as soon as possible in all the Banks and ATMs, conducting awareness programs to utilize the 'Digital Transactions' by all.The Demonetisation undertaken by the government is a large shock to the economy. The impact of the shock in the medium term is a function of how much of the currency will be replaced at the end of the replacement process and the extent to which currency in circulation is extinguished.Alternative payment methods, such as e-wallets, online transactions using e-banking, debit and credit card usage have been increased and this will shift an efficient cashless infrastructure.

RECOMMENDATION

✓ There is a need of setting up of digital literacy (E.g. net banking and E- payment) booths outside banks majorly in rural regions for spreading digital literacy across all sections of the nation. This can help in doing transactions faster and making India a Cashless Society.

✓ Government should print more and smaller denominations such as Rs. 50, 100 and Rs. 500 notes so that there should be sufficient circulation of money in the market.

✓ Government needs to ensure that the sufficient quantity of money is being transported to the banks and ATMs in both rural and urban areas on time.

✓ Facility of mobile ATMs in the Government, public sector and private corporate sector offices having more than 25 employees in their establishments.

✓ There should be an **increase in the number of ATM machines** wherever required specially in rural areas where there is shortage of ATM's as well as cash in the ATM machines

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COMPARATIVE ANALYSIS OF VAT WITH GST

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Abstract

Present Indian tax system is very complex as it includes cascading effects of tax. GST, being one single indirect tax scheme for the entire nation will attempt to make India united common market. GST referred as Goods and services tax is major taxation scheme developed for achieving economic growth. Though the constitutional amendment is passed by lok sabha for it in May 2015, India needs a strong and defined system of GST to overcome the shortcomings of VAT. This paper highlights advantages, objectives and history of GST. GST also known as the Goods and Services Tax is defined as the giant indirect tax structure designed to supportand enhance the economic growth of a country. More than 150 countries have implemented GST so far. The constitutional amendment for the same waspassed by the Lok sabha on 6th May 2015. The Goods and Services Tax (GST) is a vast concept that simplifies the giant tax structure by supporting and enhancing the economic growth of a country. GST is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level [1]. Goods and Services tax Bill or GST Bill, also referred to as The Constitution (One Hundred and twenty-Second Amendment) Bill,2014, initiates a Value added Tax to be implemented on a national level in India. GST will be an indirect tax at all the stages of production to bring about uniformity in the system. The present research paper is an attempt to study concept of goods and service tax and its impact on Indian economy

Keywords*:- GST, VAT, Constitution, comprehensive tax*

INTRODUCTION: On bringing GST into practice, there would be amalgamation of Central and State taxes into a single tax payment. It would also enhance the position of India in both, domestic as well as international market. At the consumer level, GST would reduce the overall tax burden, which is currently estimated at 25-30%.Under this system, the consumer pays the final tax but an efficient in put tax credit system ensures that there is no cascading of taxes- taxon tax paid on inputs that go into manufacture of goods [2].In order to avoid the payment of multiple taxes such as excise duty and service tax at Central level and VAT at the State level, GST would unify these taxes and create a uniform market throughout the country. Integration of various taxes into a GST system will bring about an eff ective cross-utilization of credits. The current system taxes production, whereas the GST will aim to tax consumption.

Experts have enlisted the benefits of GST as under:

1. It would introduce two-tiered One-Country-One-tax regime.
2. It would subsume all indirect taxes at the center and the state level.
3. It would not only widen the tax regime by covering goods and services but also make it transparent.
4. It would free the manufacturing sector from cascading eff ect of taxes, thus by improve the cost-competitiveness of goods and services
5. It would bring down the prices of goods and services and thus by, increase consumption.
6. It would create business-friendly environment, thus by increase tax-GDP ratio.

However, there is a huge hue andcry against its implementation.

VATVAT was introduced into the Indian taxation system from 1 April 2005. VAT is a significant improvement over the local sales tax system. At the state level the advantage of vat is that it is a multi-point tax with set-off for tax paid on purchases and it prevents repeated taxation of the same product. Despite the success of VAT there are still certain limitations in the structure of VAT both at the central and at the state level. To solve the issues untouched by VAT the then Finance minister Pranab Mukherjee while presenting the budget on July 6, 2009, said that GST would come into effect from April 2010. The goods and services Tax (GST) will indeed be a further significant improvement towards a comprehensive indirect tax reforms in the country. Integration of goods and services taxation would give India a world class tax system and improve tax collections. It would end distortions of differential treatments of manufacturing and service sector. It will lead to the abolition of taxes such as octroi, central sales tax, state level sales tax, entry tax, stamp duty, telecom license fees, turnover tax, tax on consumption or sale of electricity, etc. GST is expected to create a business-friendly environment, as price levels and hence inflation rates would come down overtime as a uniform tax rate is applied. It will also improve government's fiscal health as the tax collection system would become more transparent, making tax evasion difficult.

Objectives of the study

1. To understand the concept of goods and service tax
2. To learn about shortcomings of current taxation system in India
3. To understand how GST will work in India
4. To understand the benefits of GST over the current taxation system in India

Research methodology: The study focuses on extensive study of Secondary data collected from various books, National& international Journals, government reports, publications from various websites which focused on various aspects of Goods and Service tax.

VALUE ADDED TAX:

VAT is a system of indirect taxation, which has been introduced in lieu of sales tax. It is the tax paid by the producers, manufacturers, retailers or any other dealer who add value to the goodsand that is ultimately passed on to the consumer. VAT has been introduced in India to ensure a fair and uniform system of taxation. VAT enhances competitiveness by removing the cascading effect of taxes on goods and makes the levy of tax simple and self-regulatory, ensuring flexibility to generate large revenues. The cascading effect is brought about by the existing structure of taxation where inputs are taxed before a commodity is produced and the output is taxed after it is produced. This causes an unfair double taxation. In VAT, a tax is paid for every purchase that is made. It results in the reduction of the tax burden as there is justification in taxing system and the price of the goods falls.

THE ARRIVAL OF GOODS AND SERVICES TAX: The Constitution Bill, 2011 amends the Constitution to give the central and state governments the concurrent power to make laws on the taxation of goods and services. The amendment allows for the introduction of a goods and services tax. If Vat is a significant improvement over the local sales tax system, then the Goods and Services Tax will be a major breakthrough towards a comprehensive indirect tax reform in the country. Despite the success of VAT, there are still certain shortcomings in the structure of VAT both at the Central and at the State level. The GST at the Central and at the State level will thus give more relief to industry, trade, agriculture and consumers through a more comprehensive and wider coverage of input tax set-off and service tax setoff, inclusion of several taxes in the GST and phasing out of CST.

What is the GST? GST is a comprehensive indirect tax on manufacture, sale and consumption of goods and services at national level. The GST is expected to replace all the indirect taxes in India. At the center's level, GST will replace central excise duty, service tax and customs duties. At the state level, the GST will replace State VAT.

How will it work in India? The GST system is based on the same concept as VAT. Here, set-off is available in respect of taxes paid in the previous level against the GST charged at the time of sale. The GST model has some aspects which are as follows

Components: GST will be divided into two components, namely, Central Goods and Service Tax and State Goods and Service Tax.

Rate: Rates charged across all states and the central level will be uniform along with the regulations, definitions and classifications

Applicability: GST will be applicable to all Goods and Services sold or provided in India, except from the list of exempted goods which fall outside its purview. GST will be charged and paid separately in case of Central and State level.

Input Tax credit: The facility of Input Tax Credit at Central level will only be available in respect of Central Goods and Service tax. In other words, the ITC of Central Goods and Service tax shall not be allowed as a set-off against State Goods and Service tax and vice versa.

What are the key problems in the current taxation system for goods and services in India that the proposed GST plans to improve upon?

The key problems in the current taxation system in India can be categorized into:

✓ Taxation at Manufacturing Level i.e. CENVAT is levied on goods manufactured or produced in India which gives rise to definitional issues as to what constitutes manufacturing, and valuation issues for determining the value on which the tax is to be levied which through judicial proceedings has been observed to be a severe impediment to an efficient and neutral application of tax Exclusion of Services from state taxation has posed difficulties in taxation of goods supplied as part of a composite works contract involving a supply of both goods and services, and under leasing contracts, which entail a transfer of the right to use goods without any transfer of their ownership. Though these problems have been addressed by amending the Constitution to bring such transactions within the purview of the State taxation, services per se remain outside the scope of state taxation powers.

✓ Tax Cascading - Oil and gas production and mining, agriculture, wholesale and retail trade, real estate construction, and range of services remain outside the ambit of the CENVAT and the service tax levied by the Centre. The exempt sectors are not allowed to claim any credit for the CENVAT or the service tax paid on their inputs. Similarly, under the State VAT, no credits are allowed for the inputs of the exempt sectors, which include the entire service sector, real property sector, agricultural, oil and gas production and mining. Another major contributing factor to tax cascading is the Central Sales Tax (CST) on inter-state sales, collected by the origin state and for which no credit is allowed by any level of government. Complexity -In spite of the improvements made in the tax design and administration over the past few years, the systems at both central and state levels remain complex. Their administration leaves a lot to be desired. They are subject to disputes and court challenges, and the process for resolution of disputes is slow and expensive. At the same time, the systems suffer from substantial compliance gaps, except in the highly organized sectors of the economy.

Would the implementation of GST be an improvement over the current taxation system in India? If yes, what would be its benefits over the current system?

The implication of GST assures a single taxation system in the entire country for all goods and services making tax compliance easier and more effective. The major benefits of this proposal according to Report of Task Force on Implementation of GST on the websitewww.goodsandservicetax.com are

▪ To the Economy - It will simplify India's tax structure, broaden the tax base, and create a common market across states. This will lead to increased compliance and increase India's tax-to-gross domestic product ratio. According to a report by the National Council of Applied Economic Research, GST is expected to increase economic growth by between 0.9 per cent and1.7 per cent. Exports are expected to increase by between 3.2 per cent and 6.3 per cent, while imports will likely rise 2.4-4.7 per cent, the study found.

Why no to GST?However, the question is: is the picture as rosy as it is portrayed? Wall Street firm Goldman Sachs, in a note 'India: Q and A on GST— Growth Impact Could Be Muted', has put out estimates that show that the Modi Government's model for the Goods and Services Tax(GST) will not raise growth, will push up consumer prices inflation and may not result in increased tax revenue collections [3]. There appears to be certain loopholes in the proposed GST tax regime which may be detrimental in delivering the desired results. They are: India has adopted dual GST instead of national GST. It has made the entire structure of GST fairly complicated in India. The center will have to coordinate with 29 states and 7 union territories to implement such tax regime. Such regime is likely to create economic as well as political issues. The states are likely to lose the say in determining rates once GST is implemented. The sharing of revenues between the states and the Centre is still a matter of contention with no consensus arrived regarding revenue neutral rate. Chief Economic Advisor Arvind Subramanian on 4 December2015 suggested GST rates of 12% for concessional goods, 17-18% for standard goods and 40% for luxury goods which is much higher than the present maximum service tax rate of 14%. Such initiative is likely to push inflation. The proposed GST structure is likely to succeed only if the country has a strong IT network. It is a well-known fact that India is still in the budding state as far as internet connectivity is concerned. Moreover, the proposed regime seems to ignore the emerging sector

- To The Corporate - It will be beneficial for India Inc. as the average tax burden on companies will fall. Reducing production costs will make exporters more competitive
- To The Exporters - The subsuming of major Central and State taxes in GST, complete and comprehensive setoff of input goods and services and phasing out of Central Sales Tax (CST)would reduce the cost of locally manufactured goods and services. This will increase the competitiveness of Indian goods and services in the international market and give boost to Indian exports.
- To Industry - Manufacturing sector in India is one of the highly taxed sectors in the world. A complex and high taxation structure has the tendency to render products uncompetitive in the international market or consume large portions of the cost arbitrage available in manufacturing set-ups in low cost economies such as India. GST when enforced would eliminate complexities in the present taxation structure and consequently prevent the loss of nearly 50% of the advantage of lower manufacturing costs that India has over the western nations. "A well-designed GST is the most graceful method to get rid of distortions of the existing process of multiple taxation" Sanjay Pant, Commissioner Service Tax, Bangalore.
- To the Centre And State - Approximately $ 15 billion a year of profits are predicted by the government with the implementation of GST as it is speculated to bring about raise in employment, promotion of exports and consequently a significant boost in overall economic growth. Another positive aspect of this proposal is that it is aimed at equitable division of tax burden between the manufacturing and services. "GST will be the biggest reform after 1991 and its implementation alone would add 1.5-2 percentage point to India's GDP growth. It will provide a tremendous stimulus and can solve several issues like inflation and fiscal deficit" - Mr. Adi Godrej Chairman of the Godrej Group
- The Individuals And Companies - With the collection of both the central and state taxes proposed to be made at the point of sale , both components will be charged on the manufacturing costs and the individual will benefit from lowered prices in the process which will subsequently lead to increase in consumption thereby profiting companies

Where is India on GST implementation at present?

GST was proposed to be introduced in India with effect from April 1, 2010. However, on account of a difference of opinion amongst states, political compulsions, and insistence of many states on commitment of the government to compensate for revenue loss and coverage of specified products like petroleum, liquor, etc, GST could not be implemented even after extending the deadline. As per latest reports it will be implemented only by 2015.

CONCLUSION: Tax policies play an important role on the economy through their impact on both efficiency and equity. A good tax system should keep in view issues of income distribution and, at the same time, also endeavor to generate tax revenues to support government expenditure on public services and infrastructure development. Cascading tax revenues have differential impacts on firms in the economy with relatively high burden on those not getting full offsets. This results in loss of income and welfare of the affected economy. The ongoing tax reforms on moving to a goods and services tax would impact the national economy, International trade, firms and the consumers There has been a good deal of criticism as well as appraisal of the proposed Goods and Service Tax regime. It is considered to be a major improvement over the pre-existing central excise duty at the national level and the sales tax system at the state level, the new tax will be a further significant breakthrough and the next logical step towards a comprehensive indirect tax reform in the country. GST is not simply VAT plus service tax, but a major improvement over the previous system of VAT and disjointed services tax a justified step forward. India is a democratic and federal republic

and the GST will thus be implementedconcurrently by the central and state governments as the Central GST and the State GST respectively and it appears that there will be different rates of taxes. However, a single rate would help maintain simplicity and transparency by treating all goods and services as equal

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FOREIGN DIRECT INVESTMENT IN INDIA – AN ANALYTICAL STUDY

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Abstract

Foreign Direct Investment is an investment made by a foreign company or entity into a company or entity based in another country. FDI refers to capital inflows from abroad that is invested in or to enhance the production capacity of the economy. It can be subsidiary, joint venture or merger or acquisition and includes Green field and Brown field projects. "Inflows of Foreign Direct Investment in India" focuses on potentialimpactofFDIinthegrowthanddevelopmentofIndianeconomy.FDIactsasa catalyst for domestic industrial development and considered to be an important vehicle for economic development. The study finds out that during pre-liberalization period FDI increased atCAGRof19.05%whileduringpostliberalizationperiodithasgrown24.28%.Since1991 FDI inflows in India has increased approximately by more than 165times. FDI in India is to focus on how Foreign Direct Investment helps in reducing the defectof BOP. It serves as a link between investment and saving. Many developingcountrieslikeIndiaarefacingthedeficitofsavings.Thisproblemcanbesolved with the help of Foreign Direct Investment. The analytical study in this paper concludes that we shouldwelcomeinflowofforeigninvestmentinsuchwaythatitshouldbeconvenientand favorable for Indian economy and enable us to achieve our cherished goal like rapid economic development, removalofpoverty, internalpersonaldisparityinthedevelopmentandmaking our Balance of Payment favorable.

OBJECTIVES

1. To study onForeignDirectInvestmentinIndiaforIndia'sgrowthanddevelopmentafter economic reforms.
2. To examine the significance and assess the various aspects pertaining to performance of the FDI in India namely sector-wise, country-wise, state-wise and year-wise during post reform period.
3. To analyse historical trends or pattern of FDI to forecast future FDI.
4. To analyse impact of FDI on economy of India.

REVIEW OF LITERATURE:

Bhattacharyya Jita, Bhattacharyya Mousumi (2012)"Impact of Foreign Direct Investment and Merchandise and Services Trade of the Economic growth in India: an Empirical study", the study revealed that there was a long term relationship between FDI, merchandise, service trade and economic growth of India. Bi-directional causality is observed between merchandise trade and economic growth, services trade and economic growth. Unidirectional causality is observed from FDI to economic growth and FDI to merchandise trade. A unidirectional causality is also observed from merchandise trade to services trade. Foreign Direct Investment (FDI) is one of the most interesting topics in the area of international business and trade. FDI assumes a lot of importance because it can influence many macro-economic variables of a host country. It has its impact on employment, prices, imports, exports, balance of payment, economic growth, competition, production Etc. FDI represent one of the most important instruments through which a national economy can encourage production, imports, increase in employment, infrastructure development, poverty reduction etc. The benefits achieved through the increase in FDIs have created strong competition in the global market of free capital, all with the aim to attract as many and as diverse FDIs as possible. This research paper examines the different forms of capital, the global and regional trends in FDI inflows, factors influencing FDI in India, and experiences in India, comparative study with global market. The policy implications of the determinants of FDI flows are analyzed. FDIisanimportantfactorintheglobalizationprocessasitintensifiestheinteractionbetween states, regions, and firms. Growing international flows of portfolio and direct investment, international trade, information and migration are all parts of this process. The large incentive in thevolumeofFDIduringthepasttwodecadesprovidesastrongincentiveforresearchonthis phenomenon.

METHODOLOGY

SECONDARY DATA: Secondary data has been collected from various sources likeSIA Newsletter, Reports, publication of Government, RBI relating to foreign Investment, economic journals, books, magazines and internet etc. Impact analysis and time series forecasting isdone using tool SAS Enterprise Guide and MicrosoftExcel and Microsoft word.

INTRODUCTION

FDI IN INDIA: An Indian company receives Foreign Direct Investment under two route namely Automatic route and Government route. In Automatic route, FDI is allowed without prior permission of government or RBI whereas In Government route, FDI is allowed only with due permission from government or RBI. During pre-liberalisation period, India had followed an extremely cautious and selective approach while formulating FDI. Government took active participation to command and control the economy by allocation of resources (budgetary grants) or in setting priorities for the economy. Strict regulations were followed by all companies engaged in FDI activities. With the objective of becoming 'self-reliant', there was a dual nature of policyintention particularly after LPG policy in 1991, government gradually removed various restrictions in order to increase FDI inflow in India and attract more and more participants. Several FDI policies were reformed which helps India to boost their FDI inflow and raise more foreign capital. Most recent FDI policy of various sectors in India included in this project shows that most of the sectors attract 100% FDI however Public Sector Bank (PSB) attract only 20% FDI in India. Also there are various sectors in which FDI is prohibited as these sectors as engaged in manufacturing goods and services which either harms the growth of the country or adversely affect health of country's population. Sectors in which FDI is prohibited are activities engaged in scams such as chit funds, lottery, etc. and sectors not open to private sector investment e.g. Atomic Energy and Railway operations. Total Of $60.08 billion, of FDI equity inflows was amounted in FY 2016-17 Amount in (US$ in Million) out of which sector that attract the highest FDI equity inflow is Service sector which accounted to almost 18% of the total FDI inflow in the FY 2016-17.

STATEMENT ON RBI'S REGIONAL OFFICES (WITH STATE COVERED) RECEIVED FDI EQUITY INFLOWS: Mumbai, Delhi, Chennai, Bangalore, Hyderabad are the major cities in India to attract FDI in flow. Mumbai being the financial hub of India attracts the highest FDI inflow with 31% of total FDI inflow being directed towards Maharashtra state. Others such as Delhi accounted to 20% of total FDI inflow followed by Chennai and Bangalore with 7% each. Region with least amount of FDI inflow is Jammu accounting to only 0.01% of total FDI inflow.

FDI INFLOW AND GLOBALMARKET : The UN Conference on Trade and Development study -- World Investment Report 2016-- ranks India as the 9th most attractive destination for foreign direct investment, up from 13th last year. Although UNCTAD predicts a modest recovery of FDI flows in 2017–2018, India continues to be among the top ten countries in terms of foreign direct investment (FDI) inflows globally and the fourth in developing Asia, as per the World Investment Report 2016 by the United Nations Conference for Trade and Development (UNCTAD).China with more than three times India's FDI at $136 billion in 2015 is ranked third in terms of FDI flows among all countries, as per the report.

FACTORS AFFECTING FDI INFLOWS IN INDIA: Several factors an investor needs to take into account while investing in any country includes dollar rate, GDP, Balance of payment, Population and Inflation.Dollar rate trend shows a steady growth in 1990, but very fast growth in recent year whichcross Rupee 64.30 per dollar.FDIanddollarratehasdirectproportional relation which means increase in dollar rate leads to increase in FDI. GDP and FDI has direct relation i.e. every 1% of increase in GDP, will have increase in FDIby 2.32%. Population and FDI are directly proportional although India's population is not much significant factor to impact on FDIinflow.The average inflation of India in 2017: 1.90 % although inflation is not taken as a significant factor to impact FDI inflow. One of the major factor that impact FDI is balance of payment and India's Current account deficit soars to a 4-year high of USD 14.3 billion.The widening of the deficit (2.4% of GDP) was primarily on account of a surge in merchandise imports (mainly gold). In addition, strong appreciation of the rupee and shrinking export growth contributed to higher trade deficit (72.9% YoY). The September quarter will be challenging for the government as higher crude prices would further add to the import bill. ThemajorFDIinflowisobservedfromMauritiusi.e.almost50%ofFDIinflow.Themain reason behind is India has comprehensive double taxation avoidance agreement (DTAA) with 88 countries which means that there are agreed rates of tax and jurisdiction on a specified types of income arising in a country to a tax resident of another country. According to this treaty between India and Mauritius, capital gains can only be taxed in Mauritius, the same treaty exist with 16 other countries. Mauritius is the most attractive conduit for investment into India.

SUGGESTIONS: In 2015, India has emerged as the top destination for foreign investors surpassing china and USA. But compared to china, India still lags behind in attracting foreign investment. Some of the measures necessary for India to increase foreign investment could be improvement in infrastructure, adequate government policies for foreign investors to invest in India, corruption free India and more 100% FDI inflow sectors. Just like Mauritius route, Indian government should implement the same with developed countries like USA, China and Japan in order to attract more foreign capital. In order to grow FDI inflow in manufacturing sector rather than service sector, government should welcome more **and more foreign investment from countries that have the potential to invest in manufacturing power of India,** countries like japan and USA.

The existing rules stated that all single-brand retailers must source at least 30% of their goods by value from suppliers in India, although the government may grant tax exemption for sellers of advanced technology. The exemption can be up to for a maximum period of 8 years. The same policy should be imposed on multi-brand retailers so that companies like apple incorporation can increase their base and open their retail outlet in India without any hesitation.

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REFORMS IN BANKING SECTORS: DEMONETIZATION, DIGITALIZATION & BANK ASSURANCE

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On 8 November 2016, the Government of India announced the demonetization, commonly called **notebandi**, of all ₹500 and ₹1,000 banknotes of India. The government claimed that the action would curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. The Indian government had demonetised bank notes on two prior occasions—once in 1946 and then in 1978—and in both cases, the goal was to combat tax evasion by "black money" held outside the formal economic system.In 1946, the pre-independence government hoped demonetisation would penalise Indian businesses that were concealing the fortunes amassed supplying the Allies in World War II. In 1978, the Janata Party coalition government demonetised banknotes of 1000, 5000 and 10,000 rupees, again in the hopes of curbing counterfeit money and black money. By and large, international response was positive which saw the move as a bold crackdown on corruption. International Monetary Fund (IMF) issued a statement supporting Modi's efforts to fight corruption by the demonetisation policy. Chinese state media *Global Times* praised the move and termed it as "fierce fight against black money and corruption."Former Prime Minister of Finland and Vice-President of European Commission Jyrki Katainen welcomed the demonetisation move stressing that bringing transparency will strengthen Indian economy. BBC's South Asia Correspondent Justin Rowlatt in his article praised the move for its secrecy and success and elaborated on reason behind demonetisation. Tim Worstall termed the demonetisation as welcome macroeconomic effect in his article in Forbes magazine.Swedish Minister of Enterprise Mikael Damberg supported the move by calling it bold decision. Singapore-based paper *The Independent* published a laudatory article on the move titled "Modi does a Lee Kuan Yew to stamp out corruption in India." Lee Kuan Yew was the Singaporean Prime Minister and is considered the architect of modern Singapore. "From making up his mind to rolling it out, a new Lee Kuan Yew is born in India.

In the first four days after the announcement of the step, about ₹ 3 trillionin the form of old ₹ 500 and ₹ 1,000 banknotes had been deposited in the banking system and about₹ 500 billionhad been dispensed via withdrawals from bank accounts, ATMs as well as exchanges over the bank counters. Within these four days, the banking system has handled about 18 crore transactions. The State Bank of India reported to have received more than ₹ 300 billion in bank deposit in first two days after demonetisation.A spike in the usage of debit card and credit card post demonetisation was also reported. Between November 10 and November 27, 2016 banks reported exchange and deposits of demonetised banknotes worth ₹ 8.45 trillion(exchange of ₹ 339.48 billionand deposits of ₹ 8.11 trillion). During this period, an amount of ₹ 2.16lakh crore had been withdrawn by people from their accounts. In Malda, a district believed to be a transit-point for fake Indian currencies,a large sum of cash deposits in dormant accounts were also reported. According to The Economic Times, more than 80 percent of fake currency in India originates from Malda district in West Bengal. The demonetisation was initially seen by some sources as a significant step towards making India a cashless economy.Prime Minister Narendra Modi appealed to Indian population in his radio address in Dec 2016 to go cashless with slogan - 'Less-cash' first, 'cashless society' next. More people began using cardsand e-wallets, and the demand for point of sales (POS) or card swipe machines increased.This led to the acceleration of installation of POS machines. According to data of Pine Labs, the demand for its POS machines doubled after the decision. The company stated that the debit card transactions rose by 108% and credit card transactions by 60% on 9 November 2016.

Several e-commerce companies hailed the demonetisation decision as an impetus to an increase in digital payments, hoping that it would lead to a decline in COD returns which could cut down their costs. In December 2016, the government launched an app called BHIM (Bharat Interface for Money) based on the Unified Payment Interface.In September 2017, Google launched its first India-only banking app using BHIM called Google Tez that can be used by customers of over 50 banks on the UPI platform, and is available in several Indian languages. Both the Immediate Mobile Payments System and the United Payments Interface, which support instant payments using mobile phones, have grown substantially since demonetization, even as cash has returned to the economy. Digital India is a campaign launched by the Government of India to ensure that Government services are made available to citizens electronically by improved online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology. It was launched on 2 July 2015 by Prime Minister Narendra Modi. The initiative includes plans to connect rural areas with high-speed internet networks. Digital India consists of three core components. They are:

1. Development of secure and stable Digital Infrastructure
2. Delivering government services digitally
3. Universal Digital Literacy

Some of the facilities which will be provided through this initiative are Digital Locker, e-education, e-health, e-sign and national scholarship portal. As the part of Digital India, Indian government planned to launch Botnet cleaning centers. Digital Locker facility will help citizens to digitally store their important documents like PAN card, passport, mark sheets and degree certificates. Digital Locker will provide secure access to Government issued documents. It uses authenticity services provided by Aadhaar. It is aimed at eliminating the use of physical documents and enables the sharing of verified electronic documents across government agencies. Three key stakeholders of Digi Locker are Citizen, Issuer and requester. attendance.gov.in is a website, launched by PM Narendra Modi on 1 July 2015to keep a record of the attendance of Government employees on a real-time basis.This initiative started with implementation of a common Biometric Attendance System in the central government offices located in Delhi. MyGov.in is a platform to share inputs and ideas on matters of policy and governance. It is a platform for citizen engagement in governance, through a "Discuss", "Do" and "Disseminate" approach There is a World Bank report which says that a 10% increase in broadband penetration (in India) can lead to a 1.4% increase in Gross Domestic Product, making Internet important for enhancing the growth of the economy." In India, Google has so far made 120 railway stations Internet-enabled, through a partnership with Indian Railway Catering and Tourism Corp. In two to three years, about 600 million Indians will access internet through broadband The government has launched a National Digital Literacy Mission that has penetrated rural areas under the initiative, 8.2 million people have already been trained by 2016, surpassing the target of NDLM training 5.2 million by 2018 In 2017, GDP growth is flat, internet growth is down by 40%, population growth (rate is down) by 50%, smartphones growth is -65%, but internet user growth in India is at 40%. This trend is a confirmation that mobile has become the first source of accessing Internet in India, skipping computers or laptops. More than 12,000 rural post office branches have been linked digitally and soon payment banking would also become a reality for them. The government also plans to make 'digital village' across the country, by linking all schemes with technology. The 'digital village' would be powered by LED lighting, solar energy, skill development centres and e-services like e-education and e-health According to analysts, the Digital India plan could boost GDP up to $1 trillion by 2025. It can play a key role in macro-economic factors such as GDP growth, employment generation, labor productivity, growth in number of businesses and revenue leakages for the Government. There is still a huge economic opportunity in India as the tele-density in rural India is only 45% where more than 65% of the population lives. Future growth of telecommunication industry in terms of number of subscribers is expected to come from rural areas as urban areas are saturated with a tele-density of more than 160% A digitally connected India can help in improving social and economic condition of people through development of non-agricultural economic activities apart from providing access to education, health and financial services. However, it is important to note that ICT alone cannot directly lead to overall development of the nation. The overall growth and development can be realized through supporting and enhancing elements such as literacy, basic infrastructure, overall business environment, regulatory environment, etc. The government recently announced an unprecedented mega Rs 2,11,000 crore plan for recapitalisation of the PSU (public sector undertaking) banks in a bid to push growth and and create jobs. While Rs 1,35,00 crore will be in the form of front-loaded recapitalisation bonds, the remaining Rs 76,000 crore will be in the form of budgetary support. Non-performing assets of banks have increased from Rs 2.75 lakh in March 2015 to Rs 7.33 crore as on June 2017 In addition to repairing their balance sheets, the banks also need crores of rupees in new capital to meet global Basel III banking rules, due to fully kick in by March 2019. Fitch Ratings estimates Indian banks will need $65 billion (Rs 4.23 lakh crore) of additional capital by March 2019 to meet Basel III global banking rules. Moody's expects the top 11 state lenders alone will need nearly $15 billion (more than Rs 97,500 crore). Banks which were meant for deposits, loans and transactions are allowed to provide insurance policies to people and this feature of bank is called 'bancassurance'. With growth in number of middle class families in the country, RBI recognized the need of an effective method to make insurance policies reach people of all economic classes in every corner of the nation. Implementing bancassurance in India is one such development that took place towards the cause.

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REFORMS IN BANKING SECTOR: DEMONETIZATION

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Abstract

Demonetization was one of the most memorable economic events of our generation. It affected the liquidity position of the economy. Its impact was felt by every citizen of our country as well as tourists who came to visit India. Around 99% of the old currency notes were received by the Reserve Bank of India till June 30th, 2017. However, during the initial weeks, there was inadequate amount of new currency available with the public in exchange for their old currency notes. This research paper's primary focus area is to understand the impact of demonetization. This study is based on secondary data. It includes available published literatures such as books, newspapers and journals and also data from relevant websites and survey conducted by us.

INTRODUCTION: Demonetization is defined as, "The act of stripping a currency unit of its status as legal tender. It occurs whenever there is a change of national currency: The current form or forms of money is pulled from circulation and retired,often to be replaced with new notes or coins".It is usually done to fight inflation, corruption, tax evasion etc.The highest denomination note ever printed by RBI was □10,000 in year 1938 and was demonetized in 1946.It was reprinted once again in 1954 and demonetized again in 1978.On 8th November 2016,Prime Minister of India, Narendra Modi announced the demonetization of all □500 and □1,000 banknotes, at 20:00 Indian Standard Time(IST). He announced the issuance of new □ 500 and□2000 bank notes in exchange for the old banknotes. Government claimed that this action would control the shadow economy, curb black money,so that India may shift towards digitalized money transfers.And also crack down the use of illegitimate and false cash to fund illegal activity and terrorism. The government also wanted to make India digital,where all transactions were cashless.However, this drive resulted in slowing down of many sectors,widespread unemployment.Reserve Bank of India revealed that around □15.28Lakh crore worth of scrapped currency notes came back to the Central Government.

OBJECTIVES:

A. To study the impact of demonetization on organized sector.
B. To study the impact of demonetization on unorganized sector.
C. To study the influence of demonetization on common man.
D. To find out the impact of demonetization on employment.
E. To study the perception of a common man.

IMPACT ON ORGANIZED SECTOR:

Service Sector: Hotels, restaurants and renting businesses saw a short term slowdown in growth post demonetization due to inadequacy in cash. Also, the sales of restaurants went down as customers did not have sufficient cash. The hospitality and the tourism markets create a large number of direct and indirect employments in the country.With customers / tourists not being able to spend money easily due to lack of available currency, the unorganized industry suffered the most as it could not create new jobs. The lack of available currency forced some hospitality customers to either postpone or cancel their travel and accommodation or they were compelled to use hospitality products that easily allowed the use of the other modes of payments. Although the demonetization drive had varied effects on the many sections of the hospitality industry in the country in short and medium term, but in the long term it is expected to positively impact the growth of this sector.

Real Estates: Builders refused to accept unaccounted cash so buyers had to pay full in white, increasing stamp duty charges. The sales went down for both new and resale properties. Demonetization further delayed the execution of ongoing residential projects due to scarcity of cash but it also paved the way for a credible and more organized real estate industry for investors. Developers started looking for different sources of funding arrangements while buyers had to wait before taking any step.With home ownership always being a priority this initiative by the central government will have a positive impact on real estate sector,as demonetization has reduced home loan rates and exemptions. Developers also offered new projects at discounted rates and attractive offers and other benefits. The middle class who use home loan to purchase now can own a home.

Manufacturing Sector: This sector was impacted severely due to shortage of working capital. The automobile manufacturing sector was affected severely after demonetization drive. Sales of large equipment and machinery that were mostly sold through cash in the rural areas are now seeing a steep drop. The demand for consumer goods was affected greatly after demonetization. Production was severely affected as the cost of production rose due to increase in payment of minimum wages and basic raw materials. There was insufficient cash with the companies to pay these expenses. Despite the sudden slowdown in growth rate of this sector, it is expected to grow in the coming years.

Banks: Liquidity was increased; banks were able to earn no/low interest income by way of large deposits and charged lower rates on loans. Thus banks gained deposits to a large extent which they can use to maintain liquidity. This initiative also led to improved digital interface and enhanced security. It made people to deposit money in banks which would initially help them to earn some kind of income. It also increased the number of customers, account holders and helped the non income groups to gain knowledge about banking. But it also had a negative effect, ATM charges were waived off during banned note exchange and banks incurred losses on Rs.20 in every operation that took place.Banks also incurred 1% discount charges from merchants on using of every card transactions. Bank employees were under pressure and had to work overtime.

Government: Withdrawals and deposits of money happening in the banks were tracked. Discrepancies found by banks were shared with the Income Tax Department and necessary action was then taken against such discrepancies. Government will have more money to spend on roads, railways, metros, bullet trains, health & infrastructure, education, agriculture, research & development, military expenses, and space programs etc. Although some people were still skeptical, during cash crisis, a lot people resorted to cashless transactions such as Credit/Debit Cards, Mobile wallets, Cheques etc. By this way, the government also succeeded in starting a cashless economy and Digital India.

IMPACT ON UNORGANIZED SECTOR:

Agriculture: Farmers were affected because they needed cash on daily basis to purchase pesticides, fertilizers etc as cash was the primary mode of transaction in this sector. Farmers had no cash to purchase seeds from the market so they had to use old seeds from the last year's harvest. This damaged crop yields, delayed sales and reduced prices. Even after selling their crops they had to wait months for payment and had to make several visits to the trader as it takes lot of time for money to arrive in rural banks.Farmers already had number of problems which increased further post demonetization as prices were already low and even those were not being paid. Crops were lying around, but there were no buyers as nobody had cash to buy the crops. Farm labourers were not paid with their wages due to currency shortage.

- Wide spread unemployment.
- Street vendors and fruit sellers also suffered greatly during this drive. Many small vendors were not aware of this drive. They didn't have a bank account either. In the first month itself, around 30lakh bank accounts were opened.

IMPACT ON COMMON MAN: The prime motive behind this approach was to bring large amounts of wealth in the form of unaccounted cash notes into the economy and curtail the circulation of fake currency notes. Most small and medium sized organizations are largely dependent of cash. Demonetization will affect/has affected the lives of common people in the following ways:

1. Banks Interest rates will be reduced. So availing loans would be cheaper for the common man.
2. Govt. has wider scope for introduction of new welfare schemes for common man.

3. People had to stand in queues for prolonged hours for depositing old currency notes and exchanging for new ones.
4. Tax rates are expected to fall down. Lesser tax liability will increase the disposable income, leading to more savings and consumption.
5. Demonetization death toll went above 100. Some people died waiting in the queue for long hours, some committed suicide while some were deprived of medical facilities due to the ban.
6. There was a fear of unemployment in MSME and other small manufacturing and unrecognized sectors where most of the dealings were in cash.
7. People with no bank accounts faced difficulties in opening and depositing their own hard earned money.
8. Frequently changing currency rules for deposits affected the day to day activities for both the common man and banking institutions.
9. Higher cash deposits in November & December-16 attracted income tax authorities for verification even though it was earned legally.
10. Dealings in cash was adversely effected especially for small retailers, dealers etc

IMPACT ON EMPLOYMENT:

1. The jobs market, which was moving steadily through last year, saw a downfall post demonetization.
2. Food delivery, E-Commerce, and consumer service companies saw major layoffs.
3. The Indian startup sector started preparing itself for more job losses as many medium sized companies lay off hundreds of employees to trim costs and conserve cash.
4. One of the quarterly surveys on manufacturing showed that 73% of respondents said they were unlikely to hire additional workforce over the next three months after the announcement.
5. Slow hiring put more pressure on the market even as job losses continued to be a major concern in the post-demonetization era.
6. According to another study, the government’s demonetization exercise estimated to have wiped away around 1.5 million jobs.
7. All banks and brokerage firms are putting in efforts to build large digital banking and financial research teams. This will result in hiring in the related areas. Bank payments, mobile wallets etc are likely to witness unexpected boost.
8. The IT industry is least affected by the demonetization drive. With minimal or negligible dependence on cash, this industry will witness maximum hiring.

TO STUDY THE PERCEPTION OF A COMMON MAN:

We conducted the following survey from a sample of 30 people to understand their perception about the whole exercise.

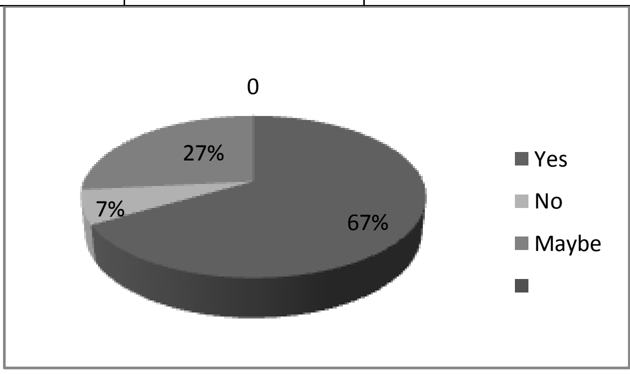
SURVEY: The following people were surveyed:

1. Do you t

1	Mr. Umesh Chodenkar	52	Business
2	Mr. Sudhakar Kuckian	55	Bank Employee
3	Mrs. Megha Mayekar	45	School Counselor
4	Mrs. Tanuja Salian	44	Homemaker
5	Mr. Sirvi	52	Retailer
6	Mr. Tejpal	47	Construction Worker
7	Ms. Falguni Veera	42	Business
8	Mrs. Pallavi Mayekar	32	Homemaker
9	Mr. Jitesh Amin	28	Bank Employee
10	Mr. Nishant Poojary	26	Bank Manager
11	Mrs. Seema Bijoor	36	Airline Manager
12	Mr. Jayprakash	46	Wage Labourer
13	Mr. Samir Dixit	40	Stock Broker
14	Mr. Shekhar Anchan	52	Real Estate Owner
15	Ms. Jayaben	48	Sweeper
16	Mr. Rajesh Bhat	50	Politician
17	Mr. Monappa Poojary	60	Business
18	Mr. Abhishek Nayak	25	Mechanical Engineer
19	Mrs. Leena Mayekar	71	Retired Headmistress
20	Mr. Rajan Calangutcar	60	Business
21	Ms. Dipti Sharma	28	Clerk
22	Mr. Tapan Vichare	21	Actor
23	Mr. Rohit Unnikrishnan	23	Restaurant Owner
24	Mr. Sandeep Shah	55	Real Estate Agent
25	Mrs. Sayali Bopardikar	44	Clerk
26	Ms. Sneha RK	24	Fashion Designer
27	Mr. Sushant Poojary	26	Bank Employee
28	Ms. Pooja Mundhra	25	Interior Designer
29	Mr. Prakash Salian	46	Bank Employee
30	Mr. Ramesh Gupta	48	Fruitseller

2. hink demonetization was a successful initiative?

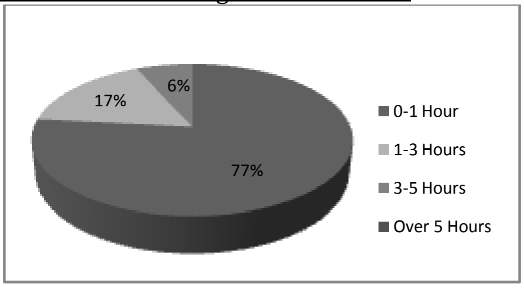
Yes	No	Maybe
20	2	8



Most people thought demonetization was a successful initiative, while some were not sure. However, there were two people particularly the fruit seller and the wage laborer who thought it wasn't a good initiative.

3. How much time did you spend daily waiting in queues at the ATM's?

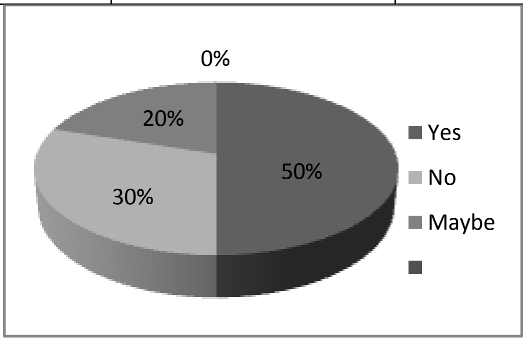
Hour	1-3 Hours	3-5 Hours	Over 5 Hours
23	5	2	-



Most of the people we surveyed waited in the queue for around an hour or less. Some had to wait for less than 3 hours and only a couple of people up to 5 hours.

4. Do you think the economy has prospered post demonetization?

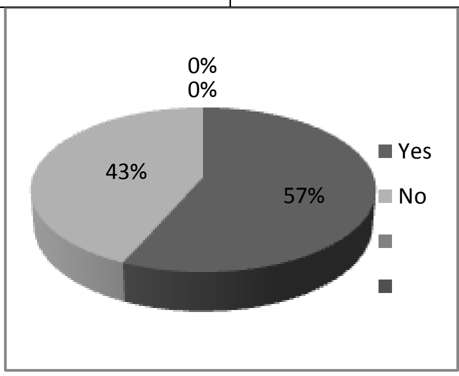
Yes	No	Maybe
15	9	6



Most people are of the opinion that the economy prospered post demonetization. But there were a few who still don't see any prosperity, while others are not sure.

5. Did you face any problems while standing in the queues during demonetization?

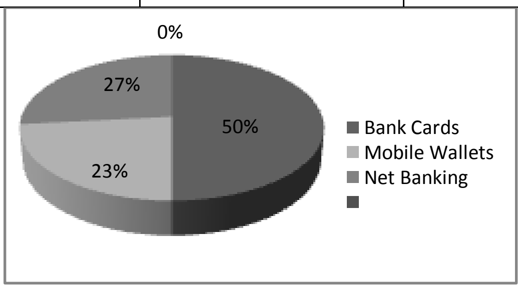
Yes	No
17	13



More than half of the people we surveyed did face difficulties standing in queues, however there were some people who took it positively and said they did not face any major problems standing in the queue.

6. During demonetization which mode of payment were you using apart from cash?

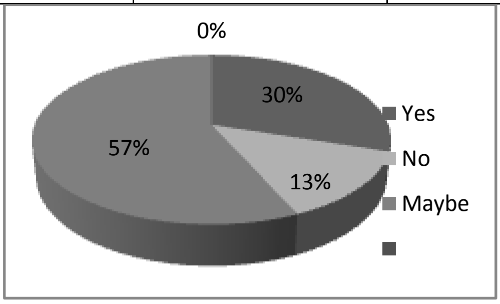
Bank Cards	Mobile Wallet	Net Banking
15	7	8



During this mega exercise, many people used bank cards during cash crunch. Some used mobile wallets while some resorted to net banking. The lower class of people in particular faced too many issues as they were not left with any source other than cash.

7. In your opinion was the government successful in curtailing black money?

Yes	No	Maybe
9	4	17



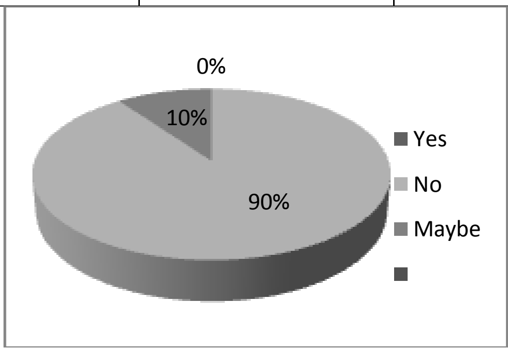
Most of the people could not decide whether note ban was successfully able to eradicate all the black money from the economy. Some people did think that government was able to curtail black money, while others believed that government was not very successful in their drive.

8. How much do you think were the following sectors affected due to demonetization (Most Affected / Moderately Affected / Least Affected)?

Agricultural sector	Moderately Affected
Real estate sector	Most Affected
Banking sector	Moderately Affected
Retail shops	Most Affected
Service sector	Least Affected
Manufacturing sector	Most Affected

9. Do you think demonetization was able to generate employment?

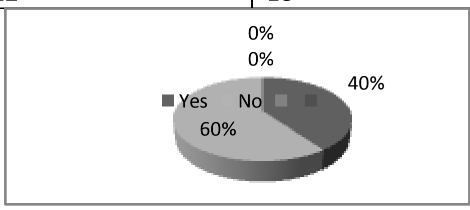
Yes	No	Maybe
0	27	3



None believed demonetization increased employment opportunities in India. There were three people who were not sure.

10. Did you face any personal or professional crisis due to demonetization?

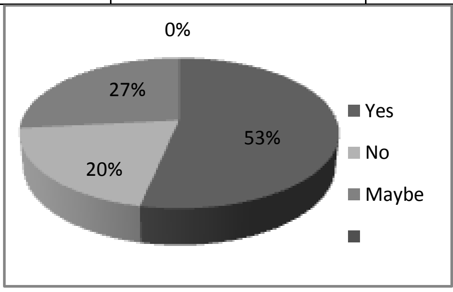
Yes	No
12	18



A lot of people faced crisis such as inability to buy property, no small denomination cash to buy vegetables and daily needs etc.

11. Will demonetization get real estate property closer to common man's reach?

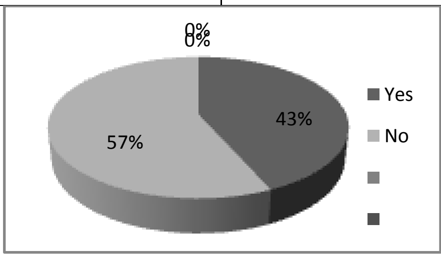
Yes 16	No 6	Maybe 8



Majority of people were of the opinion that demonetization made property cheaper as the builders were willing to sell properties at a discount, because of the need for cash.

12. Were you affected by cash crunch?

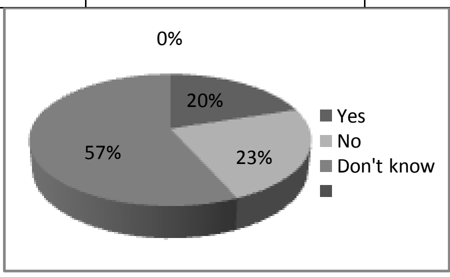
Yes 13	No 17



Most of the people were not affected by cash crunch as they used digital mediums for making payments. While others did face difficulties in the absence of cash as they could not withdraw money from the ATM's.

13. Do you think government has launched better policies post demonetization?

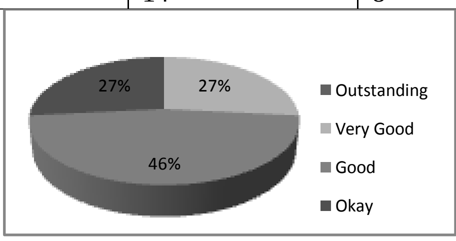
Yes 6	No 7	Don't know 17



When asked about new and better policies being launched post demonetization, many people were not sure if any such policies were launched. People were expecting government to launch new and better policies after demonetization.

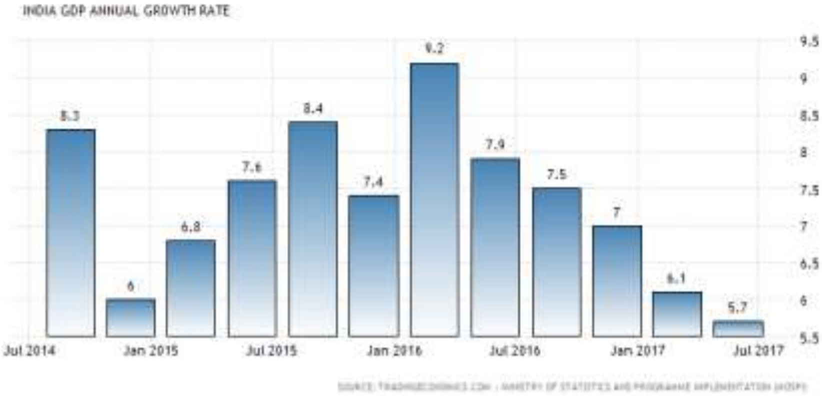
14. What do you think of the government's efforts in tackling corruption in India so far?

Outstanding 0	Very good 8	Good 14	Okay 8	Bad 0



No one thought it was an extraordinary move, but most people agreed that it was a good effort towards fighting corruption.

CONCLUSION: The abrupt proclamation and protracted cash shortages in the weeks that followed created significant commotion throughout the economy. The entire exercise of demonetization has created an environment of uncertainty in the economy and investors are hesitant to invest in India owing to this uncertainty. This exercise also led to a fall in the GDP. We learnt from this survey, that people had a rather positive approach towards demonetization. Although, some people did face hardships because of the cash crunch, but overall it was a good initiative as government recovered considerable amount of unaccounted cash.



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A STUDY OF BANKING SECTOR REFORMS IN INDIA WITH SPECIAL REFERENCE TO DIGITALIZATION AND TECHNOLOGY ENHANCEMENT

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Aruna Manharlal Shah Institute of Management and Research,

Abstract
Indian banking industry has recently witnessed the roll out of innovative banking models like payments bank and small finance banks. RBI's new measures may go a long way in helping the restructuring of the domestic banking industry. Banking today is a flourishing industry, focused on technological innovation. Internet banking has emerged as the biggest focus area in the "Digital Transformation" agenda of banks. The IT saga in Indian Banking commenced from the mid-eighties of the twentieth century when RBI took upon itself the task of promoting automation in banking to improve customer service, book keeping, MIS and productivity. Earlier the use of Technology in banking operations arose more as a necessity to manage house-keeping and to strengthen internal control systems – prime movers being Regulatory Agencies such as RBI, Central Vigilance Commission .This research paper aims to study the various reforms in Indian Banking Sector with respect to digitalization and technological enhancement. It has been noticed that Indian banks have deployed technology-intensive solutions to increase revenue, enhance customer experience, optimize cost structure and manage enterprise risk. However, there is a wide variation in the technology agendas and implementation capability across different players of the banking industry. The Paper has been divided into mainly three sections namely - Section I: Introduction, Background, Research Objectives; Section II: Data Analysis and Interpretation; Section III: Findings and Conclusion.
Keywords: *Banking Industry, Banking Reforms, Digitalization, Technology,*

1. Introduction: Digitization in the banking industry essentially means making banking smooth and seamless for customers. Today Information technology has become an important tool for an efficient banking system, and Indian banks have put in place a fairly strong infrastructure to leverage its bennet's. Most of the digital branches, mobile banking, mobile banking apps and e-wallets. The biggest advantage of private banks and public sector banks are focusing on new technology-based services to its customers like digitalization in banking is ability of banks to provide new propositions and customer business models by analyzing the banking pattern which explores the customer value to the maximum. Customer services and customer satisfaction are prime responsibilities of banks now days. Information technology has given rise to new innovations in the product designing and their delivery in the banking and finance industries. Customers today are demanding a more personalized service and look for an optimal customer experience. Embracing a fully digital strategy requires complete modernization of a bank's infrastructure. Starting from integration of multiple customer touch points, development of an integrated and consistent customer experience, offering customer centric services based on changing customer behavior and preferences, leverage of technology-led direct channel innovation for the self-directed and mobile customer, improve the customer experience in the branch through technology-led enhancement and technology-led integration of data analytics, business intelligence, and capabilities across all channels.

2. Background of Digitalization amongst banks in India: The need for computerization was felt in the Indian banking sector in late 1980s, in order to improve the customer service, book-keeping and MIS reporting. This period saw the introduction of encoders, standard cheques and cheques processing post the implementation of MICR. This eliminated manual way of processing negotiable instruments particularly cheques and bank drafts. In 1988, Reserve Bank of India set up a Committee on computerization in banks headed by Dr. C.Rangarajan. Banks began using Information Technology initially with the introduction of standalone PCs and migrated to Local Area Network (LAN) connectivity. With further advancement, banks adopted the Core Banking platform. Thus branch banking changed to bank banking. The process of Computerization gained pace with the opening of the economy in 1991-92. This decade started to implement massive effort towards computerization of Indian Banking systems. All branches were computerized. This resulted in high productivity improvements and banks were able to expand their products and services offered to customers RBI has been a guiding force for the banks in forming regulations and giving recommendations to achieve various objectives. Commercial Banks in India have moved towards technology by way of Bank Mechanization and Automation with the introduction to MICR based cheques processing, Electronic Funds transfer, Inter-connectivity among bank Branches and implementation of ATM (Automated Teller Machine) Channel have resulted in the convenience of anytime banking. Strong initiatives have been taken by the Reserve Bank of India in strengthening the Payment and Settlement systems in banks.

3. Objectives:

3.1. To study radical change from 'conventional banking to convenience banking' in India.

3.2. To study the Influence of technology in banking to the rest of the economy.

3.3. Recent Trend in banking due Digitization, possible constraints in future and its measures

4.Analysis on Digitalization in Banking Sector

Banks have benefitted in several ways by adopting newer technologies. E-banking has resulted in reducing costs drastically and has helped generate revenue through various channels. As per last available information, the cost of a bank transaction on Branch Banking is estimated to be in a range of Rs.70 to Rs.75 while it is around Rs.15 to Rs.16 on ATM, Rs.2 or less on Online Banking and Rs.1 or less on Mobile Banking. The number of customer base has also increased because of the convenience in 'Anywhere Banking'. Digitization has reduced human error. It is possible to access and analyze the data anytime enabling a strong reporting system.

Snapshot of Technology Developments in the Indian Banking Sector:

4.1 Customer Service: Banking is backbone of any economy. The success of an economy is supported by a strong banking system and similarly banks are more successful when the economy does well. For banks to be successful, it is imperative to increase their customer base, retain their existing customer and offer customers the products and services which are most beneficial to them. In today's technology savvy customer base, it is very important for banks to adapt the latest technology, such that banks are able to catch up with the pace with which customer preferences changes. Adaption of newer technology is also critical to challenge competitor banks and other institutions in offering products and services in the market place. While we focus this article on the current and future technology trends that impact banking and financial services, let us quickly glance through the technology developments adapted in the Indian Banking thus far.

4.2 Growing Applications of Biometric Technology: Banks are focusing on increasing the adoption of biometric technology to give better services to the customers. Biometric access is considered as a safer way to transact and with finger prints, facial recognition technologies, and other associated technologies security landscape is now being redefined. However, the availability of biometric technologies and integration of Aadhaar cards has essentially digitized the customer inclusion process in a secure and streamlined manner.

4.3 Electronic Fund Transfer: NEFT National Electronic Fund transfer mechanism assist fund transfer from one bank to other through RBI server and settlement occurs on net basis. Every day, RBI system enables 3 sessions of electronic clearing and after the completion of each session; the net amount will be settled among banks through their current accounts maintained with RBI. NEFT settlement happens within 24 hours and there is no limit for amount transacted. The condition here is that, the two branches of bank must be Core Banking Solution enabled.

4.4Mobile Banking : It refers to conduct of banking operations on mobile. The services under mobile banking involves, making enquiry about bank balance and last few transactions, viewing details of bank account, order demand draft and so on. It is a service provided by a bank or other financial institution that allows customers to conduct financial transactions via mobile device like mobile phone or tablet. Mobile banking uses software called an app for this purpose. This facility is available on a 24 hour basis and some banks impose restrictions on which accounts can be accessed and limits the amount of transaction.

4.5Concern for Safety and Security: Incidences of password theft, account hacking, and many other criminal activities have raised alarm in both customers and banks. The need for security and safety of online transactions has never been more important. Therefore, banks are focusing on implementing technologies that are hack proof and give multi layered security to the transactions. Cyber risk management in the business environment is one of the complex issues being faced by the banks, requiring incorporating sophisticated techniques and new skills and capabilities to be embedded in the people.

4.6Investment in IT security framework : As digital channels are preferred by the customers, banks need to be more apprehensive about IT security. With increasing risk of cyber threats, banks are confronting a phenomenal challenge of data breaches and are therefore strengthening their security and authentication systems. They secure access strategies by means of biometrics and tokenization. Banks need to persistently reinforce their internal systems and incorporate enhanced safety measures such as multilayered authentication and internal control processes, without haggling on client comfort.

4.7Automated teller machine growth: The total number of automated teller machines (ATMs) installed in India by various banks as of end June 2012 was 99,218. The new private sector banks in India have the most ATMs, followed by off-site ATMs belonging to SBI and its subsidiaries and then by nationalized banks and foreign banks, while on-site is highest for the nationalized banks of India

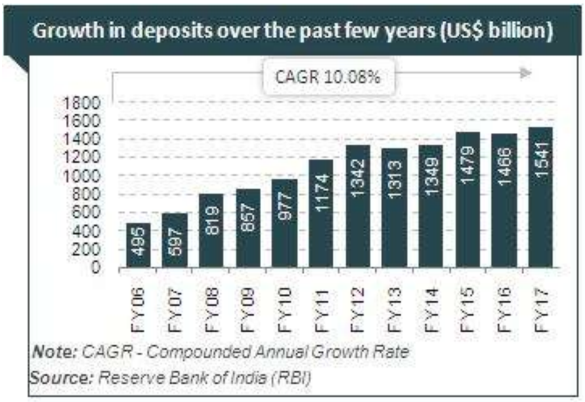
4.8Government Initiatives: Under Pradhan Mantri Jan Dhan Yojana (PMJDY), the total number of accounts opened since January 2015 increased 135 per cent to 295.2 million as of August 16, 2017.Finance Minister Mr Arun Jaitley has proposed various measures to quicken India's transition to a cashless economy, including a ban on cash transactions over Rs 200,000, tax incentives for creation of a cashless infrastructure, promoting greater usage of non-cash modes of payments, and making Aadhaar-based payments more widespread.

The government and the regulator have undertaken several measures to strengthen the Indian banking sector.

1. The Reserve Bank of India (RBI) has proactively instructed banks to increase their levels of provision on the loans provided to the telecom sector as a prudent measure, which will help to shore up provisions for future recognition of any non-performing assets arising out of the sector.
2. The Ministry of Labour and Employment has successfully opened around 3,840,863 bank accounts as on December 26, 2016, for workers especially in the unorganised sector, as part of its campaign to promote and ensure cashless transfer of wages to workers.
3. The 'Digital India' campaign has the potential to transform the Indian banking industry. Highlighting the progress of 'Digital India', more than 12,000 rural post office branches have been linked into payment banking.

4.9Artificial Intelligence-From sci-fi to reality: Artificial intelligence (AI) has the potential to transform both front office and back office operations with its self-improving programs—at ICICI Bank, for example, software robots have been deployed in over 200 business process functions, reducing the response time to customers by up to 60%. AI has already proven itself in providing seamless differentiated customer experience on digital channels, and security measures with its integration within the banking infrastructure. Intelligent digital assistants are commonplace, and these self-learning programs keep getting better with every interaction.

4.10Growth in Deposits over the past few years: During FY06–17, deposits grew at a CAGR of 12.03 per cent and reached 1.54 trillion by FY171.Strong growth in savings amid rising disposable income levels are the major factors influencing deposit growth. Access to banking system has also improved over the years due to persistent government efforts to promote banking-technology and promote expansion in unbanked and non-metropolitan regions. At the same time India's banking sector has remained stable despite global upheavals, thereby retaining public confidence over the years. Deposits under Pradhan Mantri Jan Dhan Yojana (PMJDY), have also increased. As on November 9, 2016, US$ 6,971.68 million were deposited, while 255.1 million accounts were opened



5. Recommendations: Financial sector reforms assisted impressive development of Indian banking industry. But in the recent global competitive environment, where IT is facilitating tremendous advancements with efficiency improvements banking sector reforms in India are by no means complete. Plans are afoot to modernize the financial system to make it compatible with best international practices. Though, e banks are gaining momentum but partially IT-oriented banks need further development by fully adopting new technologies. As the study evaluates poor productivity of these banks even customers are less satisfied, the following recommendations are given for the examined problems

5.1 Structural Rigidities: It is a major problem for government owned commercial banks because they can't get the benefits of timely opportunities by taking independent decision.

5.2 Less Concentration towards Non-Banking Business: Today, banking has become commercial platform for universal trading where every transaction can be performed at a click of mouse and our e-banks especially foreign banks witness the state very well. But, public and old private sector banks still depend more on interest-bearing business that is deposits and credits rather to explore changing environment opportunities.

5.3 Poor Knowledge Management Development: The banks with strong Knowledge base of employees make them responsive towards customers, if it is not up to date then definitely they will drop customers. As per employees' perspective, knowledge management is not much developed especially in public sector banks.

5.4. Poor Work Culture: Poor work culture adversely affects the efficiency of employees and ultimately banks' efficiency also suffers. It is also not much satisfactory as per employee's perspective which is a major problem for the banks. It is a major problem for banks to get all active employees but they can make them active trough some effective strategies.

5.5. Customers' Shift due lack of Services: It is a serious problem because once customer drops confidence it is very difficult to gain loyal customers.

5.6. Poor Service Quality Overall: Service quality of all the banks is not satisfactory which adversely affects the profitability. Quality is a key issue and only survival factor in competitive environment.

6.Solution's

6.1Upgrade Technological Base: All the banks must fully computerize their branches within limited period. Spread awareness among customers through different approachable channels. Mobile and tele banking should be introduced with new schemes and services because these are much cost effective for the banks. The most important aspect is management of IT. The banks should make efforts to manage IT with the support of successors. Because, better and enhanced IT usage help to improve efficiency and enable the banks to compete around the globe.

6.2Employee skill and Flexibility: Employees resist changing because of illiteracy about technology. Therefore, special drives of training should be started to upgrade their technical skills. Secondly, appoint senior employee to train the staff so that they can easily intimate to solve their queries even the retired personnel can also be appointed to learn their experiences.

6.3Feeling of security: It is a key concern because the customers ignore electronic system due to fear of hacking of accounts, wrong transfers of funds, and fraudulent entries in case of theft or otherwise. The banks must employ latest technological systems for providing security and privacy to the customers. Because technology is progressing at a fast pace, timely up gradation by the bankers can check these crimes at a great extent.

6.4R&D / Innovations: E-banking Services The partially IT- oriented banks can only gain the loyal customers by providing all ebanking services because it is the best differentiating strategy to meet the competition. They should introduce all innovative products/services with improved quality and quick response to customers. Customers always prefer a bank with prompt, cost effective and convenient services and who serve as per their requirements. Time is opportune for the banks to accept the changes and compete in global market.

6.5Employee Trainings: Overall, employees should be motivated to best serve the customers at first instant in pleased manner. Never the least, the banks must create customer friendly environment to make things easy for customers because this system adds value and builds customer loyalty. Complaints must be handled in time and in a courteous and efficient manner. More particularly, the frontline employees must be competent and mature in social skills for gaining loyal customers because the success lies in satisfied customers.

7. Conclusion: Increasing competition has become a challenge for Indian banks but it also provides thoughtful opportunities to develop the banking business as per international standards. Though, IT leads improvement in all banks however e banks are gaining the momentum. It is important to recognize that banks in India are not large enough to function efficiently under the emerging environment to undertake sufficient investment in skill formation and to come up and experiment with innovative ways to exploiting the opportunities and meeting the challenges thrown up under a rapidly changing economic scenario. If e banking serves with better efficiency and reduced costs with more satisfied customers and employees, then why not all the banks must exploit this opportunity as differentiating strategy to gain more competitiveness. The technology holds the key to future success of Indian banks as India could leap-frog into internet banking quicker than the United States provided Indian banks grab the opportunity. Therefore, digitalization is need of the hour, which can't be lost sight of except at the cost of elimination from the competition. The lack of penetration of computers in the country is not a stumbling block in this case but it can happen without wiring up the entire country. The real bottleneck is mind set, unawareness and security concerns. If we overcome these factors, we can enjoy the much superior cost structure the e-banking provides.

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GROWTH AND ADOPTION OF DIGITAL PAYMENTS IN INDIA POST DEMONETIZATION

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Abstract
The way we use to transact has undergone a tremendous change due evolution of money. Centuries after centuries, money went under various changes in terms of physical size, material and other features but what remained constant is its function. Money is what it money can do. Anything that performs the function of money can be called as money. Money is basically the store of value and medium of exchange which is acceptable by all. Today Markets are no longer limited to regional and national level but due to industrialisation and globalisation the entire world has become a single market. At the same time the volume and value of transactions have become so huge that transfer of physical cash from one country to another or one person to another would not only be inconvenient but would also slow down the growth of business activity. Thus a form of payment was required which would perform the function of money and at the same time go hand in hand with the development of business in this modern time. This role was played by digital payments. In this study we will try to understand the advantages and disadvantages of digital payments in comparison to cash, factors affecting digital payment users and the level of adoption of digital payments.
Keywords*– cashless transaction, cashless economy, digital payments, demonetization, electronic payments.*

1. INTRODUCTION: Payments are made using payment instruments. Cash for example is a payment instrument so is a cheque. However digital payment is not an instrument but rather an umbrella term applied to a range of instruments used in different ways. Digital money is not just a single form of money but rather an umbrella term used to describe money in an electronic form. Digital money comes in various forms such as plastic money, wallet-apps, net banking, etc. Digital payments refer to the use of instrument which is used in transfer of value which are initiated and/or received using electronic device and channel. Digital payment is also known as electronic payment and many a time they are interchangeable. Digital payment is a way of payment which is made through digital modes.in digital payment payer and payee both use digital modes to send and receive money. All the transactions in digital payment are completely online and transparent. Globally, there is a tremendous interest among policy makers, academicians, and commercial enterprises to explore the possibilities of moving towards a cashless economy. It is widely believed that the movement from cash to cashless economy has significant benefits. With increasing adoption of electronic payments, particularly those driving e-commerce and M-commerce, there is a growing demand for faster payment services which, in turn, facilitate ease in doing financial transactions. Reducing Indian economy‘s dependence on cash is desirable for a variety of reasons.Use of digital form of payments not only has effect on the user but affects all the members of the society in some or the other way. The growth of Digital payments in India had begun last year in November 2016 but after that new efforts by government and businesses have been put in to make it successful and everlasting. This slowly changing habit of the users is expected to bring about a positive change in the Indian economy and bring about new business opportunity as well as new job opportunity but at the same time it will have to face a number of challenges in a diversified and populated country like India. Thus it becomes important for us to study the growth of digital payments and other areas concerning it.

2. OBJECTIVES

The aim behind this research is:

i. To study the impact of demonetisation on digital payment.
ii. To study the advantages& disadvantages of digital payment in comparison to cash.
iii. To study the level of adoption to digital payments and user habits through a survey.
iv. To recommend measures to improve level of adoption among users.

3. LITERATURE REVIEW

1. Ms Pranjali A. Shendge et al (2017) in their study -"Impact and Importance of Cashless Transaction in India" opined that more and more people are switching to digital modes of receiving and making payments. India is gradually transitioning from cash centric to cashless economy.

2. Ms V. KOKILA et al (2017) in their Study on "consumer behaviour on cashless Transaction in U.T of Puducherry" concluded that, the government has implemented various reforms for sustainable and transparent economic development. The demonetization and digital payments are most important among the reforms.

3. Dr Hem Shweta Rathore (2016) in her study on ―Adoption of digital wallet by consumer has concluded that Digital wallets are quickly becoming mainstream mode of online payment. Shoppers are adopting digital wallets at an incredibly rapid pace, largely due to convenience and ease of use.

4. Piyush Kumar (2015)in his study-"An Analysis of Growth Pattern of Cashless Transaction System" opined that the cashless transaction system is reaching its growth day by day, as soon as the market become globalised and the growth of banking sector more and more people will move from cash to cashless system.

4. RESEARCH METHODOLOGY: The study makes use of both primary and secondary sources of data. Different books, journal, research papers, newspaper and relevant news channel websites and have been studied to make the study more effective. The primary source of data was collected through a self-constructed questionnaire created by using Google form and distributed through whatsapp and email only. The responses were then analysed on the basis of observation and compiled to arrive at the conclusion and recommendation. The study attempts to examine the adoption of cashless transaction by the public for their day to day transaction.

5.1 Advantages of digital payment

1. Digital payments are easy and convenient. You no longer need to carry loads of cash with you nor need to wait in long ATM queues to withdraw cash.
2. With digital payment modes, you can pay from anywhere anytime. You have the freedom to transact whenever and wherever you want.
3. Digital payments have less risk if you use them wisely. If stolen, it is easy to block a credit card or mobile wallet remotely, but it's impossible to get your cash back
4. It may not seem like much of an advantage, but being cashless makes it easy for small shop owners to ward off borrowers.
5. Ecommerce websites and mobile-wallet companies provides customers with heavy discounts and cashback to encourage them to use digital mode which is not offered in case of cash on delivery

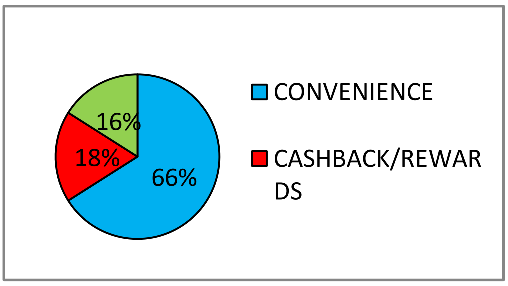
5.2 Disadvantages of digital payment

1. There is a big risk of data theft associated with the digital payment, higher risk of identity theft. Another weak link is the inadequate Redressal mechanism.
2. While there is no denying the convenience of card or mobile wallet transactions, it could open a spending trap for an unsuspecting population.
3. since you will be dependent on your phone for all your transactions on the move, losing it can prove to be a double problem
4. As most of the digital payment modes are based on mobile phone, the internet and cards, These modes are somewhat difficult for non-technical persons
5. Unstable internet connectivity can disrupt the transaction and money can be lost which takes a lot of time to be recovered due to poor redressal procedure.

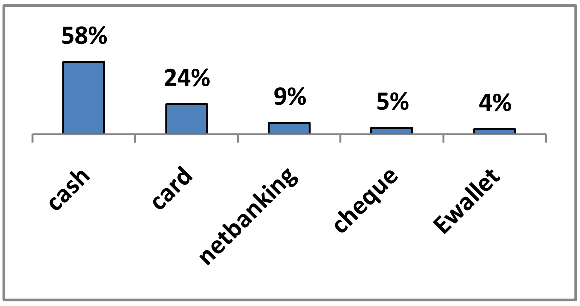
6. IMPACT OF DEMONETIZATION ON DIGITAL PAYMENTS: Digital payments were already popular in the west however in India it became common only in the last decade and very popular after demonetization. The growth was tremendous and every member tried to benefit from this changing habit in performing transactions. However the digital trend, which has picked up as an immediate aftermath of the government's announcement to demonetise high-value currency notes, is expected to continue and create a lasting impact. The move by the Indian government to demonetise high-value currency notes to wipe out black money had only added fuel to the fire by pushing more number of people to use digital modes of payments. Even a year after demonetization, the government continues to expand options for digital payments to reduce the economy's dependence on cash. While old habits die hard, primary data collected show that new digital payment methods are building momentum.

Results and Interpretation: Around 100 people were asked to fill up the online survey on a random basis from Mumbai suburb, Out of which only 55 participants responded.The samples were chosen on a random basis and on their willingness to respond.Following were the results of the survey conducted which is summarised in graphical form below:

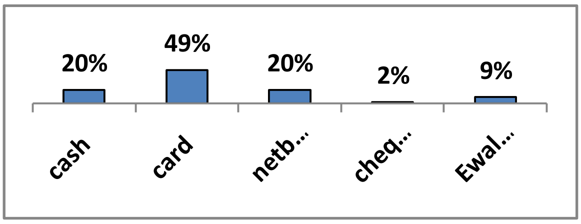
1. Factors influencing adoption of digital payment



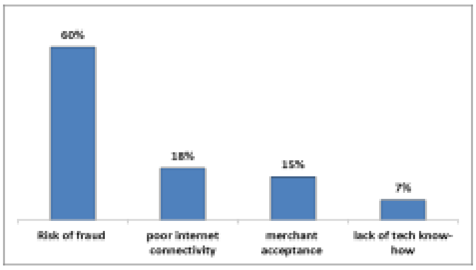
2. Preferred mode of payment before9TH November



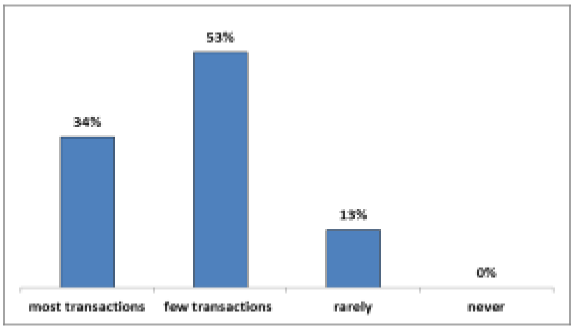
3. Preferred mode of payment after 9TH November



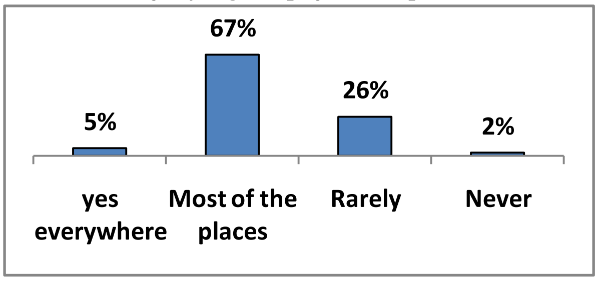
4. digital payment users concern



5.Users who continued using cashless payments when the notes came back into circulation



6. Availability of digital payment option



7. OBSERVATION

1. It can be observed that the convenience provided by digital payment is the most influencing factor followed cashbacks/rewards and then easy tracking of expenses.
2. The next trend observed was **58%** of the respondents were using cash as a mode of payment before demonetization and only **42%** respondents used non-cash digital modes of payments.

However post demonetization there has been a huge change in their preferences as the non-cash digital modes rose to **80%** and cash as a mode of payment fell to mere **20%**

3. Risk of fraud is the most concerning matter for the respondents while using digital mode of payment followed by poor internet connectivity, merchant acceptance and then lastly lack of tech know how.
4. Though there was a dip in using digital mode after the currency came into circulation ,still most of the users continue using then for most of few transaction and only a few who rarely use it.
5. There has been a widespread acceptance of digital modes of payment as it clearly seen that the users found a digital payment option at most of the places they spend money.

8. CONCLUSION: It was on 8th November 2016 that the Government of India took the whole country by storm by announcing that the currency notes of Rs 500 and Rs 1,000 were no longer legal tender. The government move aimed at curtailing the menace of black or counterfeit money which is largely used to fund criminals and terrorists as part of a parallel economy. The acute shortage of money in the wake of this decision led to long queues of people outside ATMs or banks seeking to exchange their notes or withdrawing cash. However the move has turned out to be a push towards cashless India. It can be clearly observed from the results that there has been a significant shift in people's preference from cash transaction to digital modes indicating successful adoption of digital modes of payment. Post-demonetisation, the people have finally started believing in the power of the plastic money in the form of credit card/debit card, and other channels of electronic payment. Online banking has gained prominence due to unavailability of enough cash in the market. A large numbers of businesses, even street vendors, are now accepting electronic payments, prompting the people to learn to transact the cashless way at a faster pace than ever before. It is true that there were difficulties in implementing the idea of cashless economy in a vast country like India where a large number of people are living under poverty, yet a beginning had to be made someday. However, the new cashless revolution ignited by this move has gradually started changing the mindset of people, who were earlier mostly dependent of currency notes only for doing transactions. However, the benefits of this move have now started trickling in with more and more people switching to digital modes of receiving and making payment. India is gradually transitioning from a cash-centric to less-cash economy. Handling the flow of cash with digital technology has a range of advantages. Digital transactions require users to maintain balance in their bank accounts and hence liquidity in the banking system has increased. Liquidity expansion in the banking system post demonetisation has helped the banks to lower lending rates, which in turn is bound to lift economic activity. To make India cashless in true sense, investment is required to be made in enhancing the facility required on a mass scale for cashless transactions across the country. Also, adequate security measures are required to guard online transactions against fraud which is very common in India. Digital modes have gained in popularity, however the challenges faced by digital payment must be addressed as soon as possibly in order maintain the trust people have on Digital Payments, leading to cashless India in near future.

9. RECOMMENDATION

I would like to suggest the following recommendation to improve the level of adoption by public to use of digital payments:

1. Create awareness about digital payments in rural areas byconducting workshops and developing simple and user friendly apps for them.
2. Educate people about the convenience and benefits of using digital payments and organize weekly workshops for users who are not comfortable using digital payments.

3. Encourage people to use digital payments on daily basis and not just for high value transactions. Daily use of digital mode will help them to be more comfortable with new improvement brought about in the coming year.
4. Educate the vendors and merchants about the benefits of accepting digital payments and convenience in managing their accounts.
5. Provide discounts and cashbacks to both seller as well as buyer to promote digital payments. Eliminate any extra charges attached to swipe of debit or credit card to keep transaction cost low.
6. Improve security features to safeguard user‘s money. Also setup redressal mechanism to help customer that have lost their money during digital transaction.

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DIGITAL INDIA – CUSTOMER PERSPECTIVE

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Abstract

World's leading research firm McKinsey has commented that the adoption of new technologies and innovative ideas across sectors by the Digital India programme will help India boost its GDP by $550 billion to $1 trillion by 2025.Things are, however, rapidly transforming in the digital era. It is as important that the banks remain as transparent, as their customers remain authentic. The main objective behind integrating banking services with technology is, undoubtedly, convenience. Technology has now become familiar to most individuals, to an extent that it influences their lifestyle. It, then, becomes vital for businesses to distinguish themselves in the digital space with unique offerings.

KEY WORDS: Digital India, Digital Technology, Banking

OBJECTIVES: To know how the technology and networking will come together to make an impact on life of customers.

DATA COLLECTION: The secondary data has been collected. For this purpose, various magazines and journals have been used as it is a conceptual paper. Thus, the focus is to know more about the concept, its application and the impact on economy via other parameters.

INTRODUCTION: Digital connectivity is key, but it is only a starting point for successful digital development. It is as important to strengthen other factors that interact with technology - such as responsible regulation and accountable institutions - in order to make digital technologies work for the poor. The World Development Report calls these other factors the 'analog complements' to digital technologies, which fall into three categories: regulation, skills, and institutions. Digital India and Indian Banking Industry The transition to digital banking has been happening over the last decade. Building of infrastructure for RTGS (Real Time Gross Settlement), NEFT (National Electronic Fund Transfer), ECS (Electric Clearing System for both debits and credits) and National Clearing House were the first few big steps in digitalising the payment and fund transmission in banking.

Impact Digitalization in Banking On Customer: -

1. Disaggregation of the Value Chain: New players, including non-banks and non-MNOs (mobile network operators), increasingly offer financial products and services directly to customers or offer services such as data analytics, credit scoring, and payment mechanisms to financial service providers.
2. Opening of Platforms and Application Programming Interfaces (APIs): APIs enable new applications to be built on top of pre-existing products, thereby capitalizing on the product's existing customer base. Open platforms and open APIs, which are still relatively rare, hold the potential to facilitate access to a broad range of products and services, and thus enhance financial inclusion.
3. Use of Alternative Information: Digitally collected data, including e-commerce and mobile transaction histories, can complement or substitute traditional methods of client identification and credit risk assessment. Biometric data, such as fingerprints and iris scans, allows providers to meet due diligence requirements for customers with insufficient traditional forms of identification.
4. Customization: Better data collection and analytics inform more accurate customer segmentation and human-centered product design, such as clearer user interfaces or targeted alerts and notices to consumers.
5. Cash less Economy: The objectives of the demonetization scheme-2016 are laudable while there are debatable issues on the methodology of its implementation. The Government would do well by using the positive aspects of the scheme and widening its tax net depending on the inputs gathered from the banking system. The idea of expanding the scope of digital banking will help the government make the economy less dependent on cash transactions. The example of Dhasai Village in Thane District of Maharashtra being the first village in the country, to have launched a plastic money

campaign aiming at making daily transactions cash free is worth emulating. It is a small initiative to make this village with a population of 10000 people and 150 traders cashless. All the traders have PoS machines and almost all households have debit cards.

6. Smart branch: Banks in US and Europe have already set up Smart Bank Branches. Smart Branches will be unmanned. They are equipped with smart kiosks through which customers can interact to perform their banking transactions. Smart branches will be tiny in size compared to size of the existing branches (1/10th of the current branch sizes), thus reducing the cost of operating a branch. Next Generation customers will enjoy the experience of banking in a smart branch.

7. Mobile Wallets: Mobile wallets are mechanism to make and receive payments through mobile phones. Mobile wallets are growing at a phenomenal pace. The convenience of making payments through mobile phones is replacing cash payments and credit card payments. Mobile wallets are changing the way cash transactionsAccording to the RBI Report in 2016-17 there are 2,22,475 Automated Teller Machines (ATMs) and 25,29,141 Point of Sale devices (POS). Implementation of electronic payment system such as NEFT (National Electronic Fund Transfer), ECS (Electronic Clearing Service), RTGS (Real Time Gross Settlement), Cheque Truncation System, Mobile banking system, Debit cards, Credit Cards, Prepaid cards have all gained wide acceptance in Indian banks. These are all remarkable landmarks in the digital revolution in the banking sector. Online banking has changed the face of banking and brought about a noteworthy transformation in the banking operations.National Electronic Funds Transfer (NEFT) is the most commonly used electronic payment method for transferring money from any bank branch to another bank in India. It operates in half hourly batches. At present there are 23 settlements. Real Time Gross Settlement (RTGS) is primarily used for high-value transactions which are based on 'real time'. The minimum amount to be remitted through RTGS is Rupees Two Lakhs. There is no upper limit. Immediate Payment Service (IMPS) is instant electronic funds transfer facility offered by National Payments Corporation of India (NPCI) which is available 24 x 7. The usage of Prepaid payment instruments (PPIs) for purchase of goods & services and funds transfers has increased considerably in recent years. The value of transactions through PPI Cards (which include mobile prepaid instruments, gift cards, foreign travel cards & corporate cards) & mobile wallets have jumped drastically from Rs.105 billion and Rs. 82 billion respectively in 2014-15 to Rs. 277 billion and Rs. 532 billion respectively in 2016-17.IS INDIA READY FOR DIGITAL BANKING: - Security remains part of the core services that banks can offer, and for this reason, the interfaces with simplicity work best. More customers are acclimatizing to mobile platforms, and more users are using online platforms at a much younger age. Due to these reasons, there is an undoubted power that can be leveraged through digital channels. In order to tap into the power of digitization, however, there are a number of challenges that need to be overcome

BARRIER'S TO DIGITAL BANKING: -Security Risks - External threats such as hacking, sniffing and spoofing expose banks to security risks. Banks are also exposed to internal risks especially frauds by employees / employees in collusion with customers

1. Financial Literacy / Customer Awareness - Lack of knowledge amongst people to use e-banking facilities is the major constraint in India.
2. Fear factor - One of the biggest hurdle in online banking is preference to conventional banking method by older generation and mostly people from the rural areas. The fear of losing money in the online transaction is a barrier to usage of e-banking.
3. Training - Lack of adequate knowledge and skills is a major deterrent for employees to deal with the innovative and changing technologies in banks. Training at all levels on the changing trends in IT is the requirement of the day for the banks.

4. Attaining app perfection: There is an immense feeling of power and reassurance while accessing a smartphone application. Smartphones are more personal in nature, progressing to biometric verification, even for actions such as unlocking the screen. Taking this into account, developing applications related to a business becomes crucial in order to retain customers. With banking and financial applications increasingly offering the comfort and luxury of monitoring expenses at any time from any place, organizations that do not tap into this area will certainly lose out on many individuals that will deem the corporation outdated. However, most applications are often ridden with bugs and face severe performance issues. They remain difficult to navigate, at times, and frequently crash. This can be detrimental to the company's progress as it would represent poor quality.

5. Technology Upgrades: Five years ago, smartphones wee only just becoming popular. Today, the functionality largely defines the device that is owned. Those who travel frequently on business depend on Apple and Android tablets, those who work as freelancers depend on high quality cameras and digital notebooks, while those who work the 9-to-5 routine prefer robust laptops and high-performance desktops. In addition, we have products like Amazon Echo thrown in the mix, for daily alerts and to perk up the overall lifestyle. Knowing which audience to target is only the half of it; understanding who would use what device under which circumstances is equally important. This means a serious amount of investment for banking and financial entities in digital capabilities and formulating effective digital strategies.

6. Cyber Crime: Most banking and financial applications are subject to cyber-attacks the most. The reason is obvious, what with money being the unquestionable objective. Fraudsters have been known to be innovative in their endeavors to siphon funds, either as large amounts in a gun-shot, or minuscule amounts from thousands of accounts, over a long period of time. If not money directly, there is always the threat of data being compromised.

7. Sustainability: Post successful innovation and implementation, the next pressing challenge to tackle effectively is sustenance. An organization's sustainability as a leader is possible only through synergy. Only when the users acknowledge the value of the product or service will the organizational value skyrocket to success and remain there. In this context, the power of social media is often overlooked. While consistently good reviews uplift the organization to a better status, consistently bad reviews can destroy even an entire empire

CONCLUSION: - Digital transformation in banking requires integration of front office and back end It's in the integration of front end, back end and other areas that true digital transformation often still needs to happen. There is significant difference in the extent of services as provided by both public and private sector banks. The level of usefulness of e-banking services is significantly less for rural bank customers when compared to their semi-urban and urban counterparts. The Digital India program is just the beginning of a digital revolution, once implemented properly it will open various new opportunities for t citizens. The younger generation of customers desire to have banking relationship only with tech-savvy banks, banks which would offer them all Digital products.

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BANKING SECTOR THE BACKBONE TO THE FINANCIAL SYSTEM AND PLAY AN IMPORTANT ROLE IN ECONOMIC DEVELOPMENT OF A NATION

Mr. Tom Joseph –*Reseaerch Scholar JJTU*

Introduction: Presentation Banks were considered as a spine to the money related framework and assume an essential part in financial improvement of a country. They go about as middle people in channelizing reserves from surplus units to shortage units to the completely use of the assets. A productive managing an account arrangement of countries has noteworthy positive externalities which increment the proficiency of financial exchange by and large. There is a noteworthy move in keeping money framework in the strategy environment after the presentation of monetary segment change in 1992; these changes affect the working of business banks. As one of the goals of money related part change was to enhance the effectiveness of managing an account framework in India economy^ The monetary framework's adds to the economy relies on the amount and nature of its administration and proficiency with which it gives them Financial System of any nation comprises of budgetary markets, monetary intermediation and budgetary instruments or money related items. The expression "fund" in our straightforward understanding it is seen as proportionate to 'Cash'. "System", in the expression "budgetary framework", suggests an arrangement of complex and firmly associated or interlined establishments, specialists, rehearses, markets, exchanges, cases, and liabilities in the economy. The budgetary framework is worried about cash, credit, and fund the three terms are personally related yet are to some degree not the same as each other. Indian money related framework comprises of monetary market, budgetary instruments, and budgetary intermediation. A Financial Market can be characterized as the market in which money related resources are made or exchanged. As against a genuine exchange that includes trade of cash for genuine merchandise or administrations, a budgetary exchange includes creation or exchange of a money related resource. It comprises of market for government securities, corporate securities, remote trade, derivates, here and now back or currency market and capital market and so forth. Market for various sorts of budgetary instruments might be composed like stock trade with incorporated exchanging or casually as the over-the counter market^. Monetary Assets or Financial Instruments speaks to a claim to the installment of a total of cash at some point later on as well as occasional installment as premium or profit. The Indian monetary framework is comprehensively arranged into two general gatherings: I) Organized area and ii) Unorganized segment. "The budgetary framework is likewise separated into clients of money related administrations and suppliers. Money related foundations pitch their administrations to family units, organizations, and government. They are the clients of the money related administrations. The limits between these divisions are not generally obvious. On account of suppliers of money related administrations, albeit monetary frameworks vary from nation to nation, there are numerous similitudes. (I) Central bank (ii) Banks (iii) Financial foundations (iv) Money and capital markets and (v) Informal budgetary endeavors.

Review of Literature: Sharma (1974) said, "The development of saving money offices was uneven and unbalanced and banks were gathering their operations in metropolitan urban areas and towns. A genuinely expansive number of country and semi urban focus with sensible possibilities of development neglected to pull in the consideration of business banks. To the extent the store assembly in the rustic territories is concerned, much stays to be done."This gives accentuation on the country and semi urban development of banks. Raghupathy (1977gave his view on the arrangement of keeping money segment that "if the destinations are not completely accomplished, the blame does not lie totally with the investors. The blame lies in our, not having the capacity to coordinate every intense instrument of improvement into a compelling framework". V.N. Saxena(1978) , dissected that "Change in the frameworks and methods of examination of stocks, support of stock enroll is required.

Changes ought to be started in augmentation of sponsorship plans, recuperation, and consultancy". This can bolster apparatuses for banks.

Objectives of Study:

1. To discover some glaring reasons of lower proficiency in SBI and ICICI banks and recommend ways and intends to enhance the effectiveness of these two banks.
2. To make relative investigation of the monetary execution of SBI and ICICI aiir\
3. To recommend future prospect for these two banks.
4. To break down the money related execution of State Bank of India.

Research Methodology: The examination will be led with reference to the information identified with State Bank of India and ICICI Bank. These banks have been considered with the conviction that they hold the biggest piece of the pie of saving money business in India, in their particular segments.

Tools for data collection: The examination is absolutely in light ofthe optional information. The information required for the examination will be gathered from yearly reports of individual banks, diaries and reports on patterns, daily papers, magazines, and advance of Banking of India, government productions, books and site.

Tools for data analysis Different scales will be used for data analysis. Various financial ratios, bar charts are used to know financial performance and business model of State Bank of India and ICICI Bank.

Importance and Significance of the study: The Indian saving money industry is going through a period of clients showcase. The clients have more options in picking their bank .The opposition has been set up inside the bank working in India. With hardened rivalry and propel innovation, the administration gave by the bank have turned out to be all the more simple and helpful This Study will gave a base to the further research in this field.

Hypotheses:

Ho:1 There is no significant difference between the bank size of SBI And ICICI Bank

Ho:2 There is no significant difference between the SBI and ICICI bank in terms of profitability of SBI And ICICI Bank.

Limitations of the Study

1. The examination is essential in view of auxiliary information. Diverse devices utilized for the investigation may recommend distinctive outcomes as the approach contrasts. A few changes in accounts technique by concern may frequently make money related examination deceiving.
2. It doesn't think about changes in value level.
3. The investigation thinks about information of just constrained term of time.
4. It depends on just on fiscal data and non-money related components are overlooked.
5. It is just investigation of between time reports of the worry.
6. The investigation depends on chose plots in this way constraining the territory of research

Conclusion : This part manages the foundation and Perspective Framework of the Study which incorporates, Banking history in India, Indian Banking from its introduction to the present through Review of the writing. Research Gap, Scope and Objectives of the investigation, Hypotheses of the examination. System of the Study, Significance and Need of the Study, Use of Statistical Tools, and References. Subsequent to experiencing foundation and Perspective Framework of the Study, it is important to touch upon the applied Regulatory Framework of the Indian Banking industry before its evaluation.

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REFORMS IN REAL ESTATE

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Abstract
The Real Estate (Regulation and Development) Act, 2016 is an Act of the Parliament of India which seeks to protect home-buyers as well as help boost investments in the real estate industry. The bill was passed by the Rajya Sabha on 10 March 2016 and by the Lok Sabha on 15 March 2016. The Act came into force on 1 May 2016 with 59 of 92 sections notified. Remaining provisions came into force on 1 May 2017. The Central and state governments are liable to notify the Rules under the Act within a statutory period of six months.(RERA) Bill was introduced by the Indian National Congress government in 2013. In December 2015, the Union Cabinet of India had approved 20 major amendments to the bill based on the recommendations of a Rajya Sabhacommittee that examined the bill. The Bill had been referred to a select committee, which had given its report in July 2015.However, Congress, Left and AIADMK had expressed their reservations on the report through dissent notes. The bill got approval of the Rajya Sabha on 10 March 2016 and by the Lok Sabha on 15 March 2016.The government has set July 31 as the deadline for all states to put infrastructure in place for implementation of the Real Estate Regulatory Authority (RERA) rules, failing which would result as a default under the scheme. According to Maharashtra RERA officials, up until a week back less than 5% of builders had registered with the authority. However, officials are hopeful that the registrations will be completed by the end of the month, failing which developers will be slapped with 10% penalty.
Keywords*: Real estate, amendments, registration, protection, committee, bill.*

INTRODUCTION: To regulate the real estate sector, the government has come up with the idea of Real Estate Regulatory Authority (RERA) Bill which is expected to help buyers. RERA is supposed to protect the interest of the homebuyer and ensure timely delivery of projects. Real Estate Regulatory Authority (RERA) Bill was introduced in 2013 and finally the bill got approved in March last year. Although RERA is a central law, its implementation will depend on state governments, as real estate is a state subject. Maharashtra government had approved the Real Estate (Regulation and Development) Act (RERA). The deadline for online submission of realty projects under RERA draws to a close today, July 31, 2017. In a major move to protect homebuyers and boost investment in the real estate sector, the government passed the Real Estate Regulatory Bill in March 2016. The Act came into effect on May 1, 2016 (with 69 of 92 sections notified). Remaining provisions came into force on May 1, 2017. RERA is a regulatory body with the sole aim of safeguarding the consumer interest. The Act came into effect keeping in view the increasing incidents of complaints against the builders/ developers, mostly related to delay in possession to homebuyers, faults in the society, and irresponsible behaviour of promoters after the signing of the agreement.

The Act mandates disclosure by promoters to customers which include details of the promoter, project, layout plan, land status, approvals, agreements along with details of real estate agents, contractors, architect, structural engineer etc.

OBJECTIVES OF RERA:

1) This Act obliges the developer to park 70% of the project funds in a dedicated bank account. The developers may also face a jail term of 3 years in case they fail to deliver.

2) Discrimination in the sale of properties on any grounds will also not be entertained under the new rules. Adjudicating Officers, Real Estate Authorities and Appellate Tribunals shall dispose of complaints within 60 days.

3) Developers will now be required to refund or pay compensation to the allottees for the delay in projects with an interest rate of the State Bank of India's highest marginal cost of lending rate plus 2% within 45 days of it becoming due. This would come to around 11% to 12%

4) In respect of the ongoing projects that have not received a completion certificate in specified time, developers will have to make public the original sanctioned plans with specifications and changes

made later, total amount collected from allottees, money used, original timeline for completion and the time period within which the developer undertakes to complete the project.

5) Promoter shall also declare the size of the apartment based on carpet area even if it was earlier sold on any other basis.

6) For registration of projects with the authorities, developers will be required to submit authenticated copy of PAN card, annual report comprising audited profit and loss account, balance sheet, cash flow statement and auditors report of the promoter for the immediate three preceding years, authenticated copy of legal title deed, copy of collaboration agreement if the promoter is not the owner of the plot.

7) The requirement of disclosing Income Tax returns proposed earlier has been withdrawn in the final rules keeping in view the confidentiality attached to them and as pointed out by legal experts and promoters.

8) To incentivize registration of projects and real estate agents with Regulatory Authorities, a fee for the same has been reduced by half based on suggestions from promoters for reduction of fee.

9) Real Estate Regulatory Authorities will ensure publication on their websites information relating to profile and track record of promoters, details of litigations, advertisement and prospectus issued about the project, details of apartments, plots and garages, registered agents and consultants, development plan, financial details of the promoters, status of approvals and projects etc.

IMPORTANCE OF RERA: For long, home buyers have complained that real estate transactions were lopsided and heavily in favour of the developers. RERA and the government's model code, aim to create a more equitable and fair transaction between the seller and the buyer of properties, especially in the primary market. RERA, it is hoped, will make real estate purchase simpler, by bringing in better accountability and transparency, provided that states do not dilute the provisions and the spirit of the central act. The RERA will give the Indian real estate industry its first regulator. The Real Estate Act makes it mandatory for each state and union territory, to form its own regulator and frame the rules that will govern the functioning of the regulator

IMPACT OF RERA:

1) ON HOME BUYERS:

Some of the important compliances are:

1. Informing allottees about any minor addition or alteration.
2. Consent of 2/3rd allottees about any other addition or alteration.
3. No launch or advertisement before registration with RERA
4. Consent of 2/3rd allottees for transferring majority rights to 3rd party.
5. Sharing information project plan, layout, government approvals, land title status, sub-contractors.
6. Increased assertion on the timely completion of projects and delivery to the consumer.
7. An increase in the quality of construction due to a defect liability period of five years.
8. Formation of RWA within specified time or 3 months after majority of units have been sold.

The most positive aspect of this Act is that it provides a unified legal regime for the purchase of flats; apartments, etc., and seeks to standardise the practice across the country. Below are certain key highlights of the Act:

Establishment of the regulatory authority: The absence of a proper regulator (like the Securities Exchange Board of India for the capital markets) in the real estate sector, was long felt. The Act establishes Real Estate Regulatory Authority in each state and union territory. Its functions include protection of the interests of the stakeholders, accumulating data at a designated repository and creating a robust grievance redressal system. To prevent time lags, the authority has been mandated to dispose applications within a maximum period of 60 days; and the same may be extended only if a reason is recorded for the delay. Further, the Real Estate Appellate Authority (REAT) shall be the appropriate forum for appeals.

Compulsory registration: According to the central act, every real estate project (where the total area to be developed exceeds 500 sq mtrs or more than 8 apartments is proposed to be developed in any phase), must be registered with its respective state's RERA. Existing projects where the completion certificate (CC) or occupancy certificate (OC) has not been issued, are also required to comply with the registration requirements under the Act. While applying for registration, promoters are required to provide detailed information on the project e.g. land status, details of the promoter, approvals, schedule of completion, etc. Only when registration is completed and other approvals (construction related) are in place, can the project be marketed.

Reserve account: One of the primary reasons for delay of projects was that funds collected from one project, would invariably be diverted to fund new, different projects. To prevent such a diversion, promoters are now required to park 70% of all project receivables into a separate reserve account. The proceeds of such account can only be used towards land and construction expenses and will be required to be certified by a professional.

Continual disclosures by promoters: After the implementation of the Act, home buyers will be able to monitor the progress of the project on the RERA website since promoters will be required to make periodic submissions to the regulator regarding the progress of the project.

Title representation: Promoters are now required to make a positive warranty on his right title and interest on the land, which can be used later against him by the home buyer, should any title defect be discovered. Additionally, they are required to obtain insurance against the title and construction of the projects, proceeds of which shall go to the allottee upon execution of the agreement of sale.

Standardisation of sale agreement: The Act prescribes a standard model sale agreement to be entered into between promoters and homebuyers. Typically, promoters insert punitive clauses against home buyers which penalised them for any default while similar defaults by the promoter attracted negligible or no penalty. Such penal clauses could well be a thing of the past and home buyers can look forward to more balanced agreements in the future.

Penalty: To ensure that violation of the Act is not taken lightly, stiff monetary penalty (up to 10% of the project cost) and imprisonment has been prescribed against violators.

2) ON REAL ESTATE INDUSTRY:

1) Initial backlog.
2) Increased project cost.
3) Tight liquidity.
4) Rise in cost of capital.
5) Consolidation.
6) Increase in project launch time.

Initially, a lot of work is to be done to get the existing and new project registered. Details such as status of each project executed in last 5 years, promoter details, detailed execution plans, etc., needs to be prepared. With the advent of RERA, specialised forums such as the State Real Estate Regulatory Authority and the Real Estate Appellate Tribunal, will be established for the resolution of disputes pertaining to home buying and the aggrieved party will have no recourse to other consumer forums and civil courts, on such matters. While the RERA sets the groundwork for fast-tracking dispute resolution, the litmus test for its success, will depend on the timely setting up of these new dispute resolution bodies and how these disputes are resolved expeditiously with a degree of finality.

3) **ON PROPERTY PRICES:** A new page in the history of Indian real estate sector was created with the implementation of the Real Estate (Regulation and Development) Act, 2016, (RERA) on May 1, 2017. Each state and union territory will now have its own Regulatory Authority (RA) that will frame rules and regulations in tandem with the Act. As the days of anticipation come to an end, the Indian realty market is looking to get back on the growth track. While there are certain issues that

need to be addressed, the nation wants to know the impact of the Act on the property prices and the sales volume. However, the answer to this is not as straightforward as it may sound.

As per the Act, all the projects will now be sold based on carpet area and not the super-built-up area. The former is typically 25-30 per cent less than the latter. Thus, there is a possibility of price per sq.ft. going a bit higher.

Mandatory Registration of Agents = Higher Brokerage Fees: With brokers and real estate agents having to mandatorily register themselves, there is a high possibility that the secondary (resale) market will see an uptick in brokerage fee from the buyers' perspective. Under the RERA, the registration fees for agents vary from state to state. While it is as low as Rs 10,000 in Gujarat and Maharashtra, Karnataka may propose it to be in the tune of Rs 5 lakh in the city and Rs 2.5 lakh in rural areas. Ultimately, agents who can afford to pay this initial amount will, in most probability, pass it on to the consumers.

Timely Project Completion = Decline in New Launches: The new Act clearly states that the developer must specify time for project completion during registration. Thus, the focus now will be to complete existing projects. The implementation phases of RERA has already brought tight constraints to the residential sector revealing a large fall in new launches this quarter vis-a-vis the corresponding quarter last year. As for Q1 2017, PropUrban data indicates that the top three southern cities including Bangalore, Chennai, and Hyderabad recorded a decline of whopping 70 per cent in new units supply when compared to Q1 2016. More stringent policy frameworks on the table are likely to reduce these numbers further. Meanwhile, if we go by the simple supply and demand logic, then less supply would result in higher prices. But one needs to also look at the unsold stock across cities. This unsold large supply invariably might help in keeping the prices under-check in most markets.

70% Sale Proceeds In Escrow Account = Possible Price Rise Another clause in the Act that could impact property prices is keeping 70 per cent sale proceeds in a separate escrow account. While the move is to curb the fraudulent practices followed by a few players in the market, it will restrict developers from using the money collected from buyers for other projects. The 'new watchdog' will definitely hit the smaller players hard and that will either result in their exit or merging with larger players. Other clauses that could result in price rise include restriction on sale of open car parking spaces and requirement to transfer common areas to housing societies.

Fixing Structural Defects Up To 5 years from sale = Additional Cost On Buyers Time and again developers have raised a concern pertaining to the cost paid for the structural defects. Now, many developers are of the opinion that since they have to bear the cost of structural defects up to five years, they would add this extra cost in the price of the propert It is interesting to note that the clauses in the Act that are meant to be in buyers' favour are turning out to be the villain that might result in price rise. However, it is too early to comment as these are mere speculations. All said and done, single-window clearance for faster approvals is the need of the hour. Government should look into this matter with utmost seriousness otherwise price rise and projects delays will become unavoidable! thereby increasing the overall cost.

HOW CAN A BUILDER BE RERA COMPLIANT:

1. Project registration.
2. Advertisement.
3. Withdrawal – POC method.
4. Website updation/ Disclosures.
5. Carpet area.
6. Alteration in project – approval of 2/3 allottees.
7. Project accounts – Audit.

8. 70% of the funds collected from allottees needs to be deposited in the project account. Withdrawals to cover construction and land cost.
9. Withdrawals to be in proportion to the percentage completion method.
10. Withdrawal to be certified by an engineer, architect, and CA.
11. Provision for RERA to freeze project bank accounts upon non-compliance.
12. Interest on delay will be same for customer and promoter.

EFFECT OF RERA ON BUILDERS/ DEVELOPERS:

1. Major impact of RERA will be on on-going projects if they are included. There will be a lot of confusion which will not only delay projects but will also lead to creation of lot of issues. Any law should be applied prospectively and not retrospectively. Too many projects at various stages will be impacted and there could be a major upheaval in the market if not addressed appropriately. The law should rather state a corrective course of action rather than penalise on-going developments which seem to have deviated from the new law and to understand the consequences for consumers, developers and financial institutions which are all part of this play. Also, too many projects will delay the registration process which in-turn will delay project deliveries.

2. The major delays and cost escalations are created not by developers but by various governmental authorities which sanction requisite projects and monitor during the course of development. Everybody is aware of the long drawn battle to firstly avail sanctions which now-a-days takes over 12-18 months and during the course of project, there are several challenges which affect projects. Also, the infamous OC and various services take their own sweet time hereby delaying project handovers. Unless, this is not addressed in toto, there are bound to be hiccups in projects.

3. Cost for developers will increase as sales can only happen post registration which is possible only post approvals. So gone are the days of pre-launches where first set of buyers benefitted with a reasonable price during early stages of projects. With higher holding costs, these increases would eventually be transferred to consumers and hence prices are bound to increase.

4. Refund in 60 days is unjustified as developers are not banks with liquidity. All the money is pumped into construction and incase of cancelations, there should be a re-allotment clause and not strict 60 day guideline for refund as it will be impossible for developers to do so in such circumstances. Infact, with RERA, there will be strict monitoring of monies via escrow account and this refund timeline is not relevant. If several buyers seek to cancel at one go, it may jeopardise the entire project. Say, if there are 100 units sold in a the project and out of 100, 40 buyers do not make payments on time and hence are subject to interest. But due to the delay from 40 buyers, the entire project gets affected and hence developer will have to compensate the other 60 buyers with interest and hence this is unjustified.

5. With RERA, there will be a consolidation in the market and hence only fewer players may exist. This is not good for market as prices for consumers are bound to increase with decrease in competition. Competition already keeps prices in check and small developers who were able to offer that additional buck might cease to exist and buyers will have limited choices to choose out of.

BENEFITS OF RERA:

Industry	**Developer**	**Buyer**	**Agents**
Governance and transparency Project efficiency and robust project delivery Standardization and quality Enhance confidence of	Common and best practices Increase efficiency Consolidation of sector Corporate	Significant buyers protection Quality products and timely delivery Balanced	Consolidation of sector (due to mandatory state registration) Increased transparency Increased

investors Attract higher investments and PE funding Regulated Environment	branding Higher investment Increase in organised funding	agreements and treatment Transparency – sale based on carpet area Safety of money and transparency on utilization	efficiency Minimum litigation by adopting best practices

EFFECT OF RERA ON FINANCIAL INSTITUTIONS: While there are many provisions of RERA which are being widely debated, one issue in particular that has come into focus is, the rights of the banks and other financial institutions, who have lent to the developer for the purposes of construction of a project as against the rights of the flat purchasers of the project, which have been defined within the meaning of allottees under the Act. Presently under Section 7 of RERA, in the event of developer's default, the authority can revoke the registration of the developer to the project and the association of allottees. The authority can also appoint a new developer to complete the project. Further, under section 8, it is specifically provided that the association of allottees has a right of first refusal on the manner in which the project is completed. In many circumstances, if not all, when the developer is in breach of the terms of the RERA, the developer will also be in breach of the terms of the lending documents it would have entered into with the banks or financial institutions. In such a case, the banks or financial institutions would want to enforce their mortgage/ security that normally would be the development rights of the developer over the project. In such a situation, there arises a conflict between the right of first refusal of the flat purchasers of the project to complete the construction in the manner they deem fit and the rights of the bank or financial institution to enforce its mortgage and sell the development rights to a third party for the purpose of repayment of its debt amount. In my view, in the event of the aforesaid conflict arising and an interpretation is taken that the rights of the flat purchasers should prevail, then the natural repercussions of this would be that the banks/ financial institutions would be able to enforce their security rights in the project only on the developer not defaulting under the RERA and not otherwise. This may jeopardize the entire commercials of lending transactions in the real estate sector. Further, in the event an interpretation is taken that the rights of the banks/ financial institutions prevail over that of the flat purchasers, then the provisions of section 8 would become inapplicable for projects where there are mortgages created in favour of banks / financial institutions. In my view, there is a third interpretation possible, which may allow the rights of the lending banks/ financial institutions to co-exist with the rights of the flat purchasers. Section 2(d) of the RERA defines the word "allottee" to, inter alia, mean a person to whom a plot, apartment or building has been allotted, sold or otherwise transferred by the promoter. In the event an interpretation is made that the words "or otherwise transferred" include mortgage transactions, since under the Transfer of Property Act, 1882, a mortgage transaction is considered as a transfer of property like in the case of sale, lease and gift, then in such a case, the lending banks/financial institutions would also be allottees under RERA and would therefore get the same rights as that of the allottees. In such a case, the banks/ financial institution would have a proportionate right in the association of allottees along with the other flat purchasers to decide the manner in which the project would be completed. In this manner, both, the flat purchasers and the banks/ financial institutions continue to have their rights, in the event of breach of the RERA by the developer. The other advantage of this interpretation is that 70% of the monies lent by the banks/financial institutions can be kept in the separate scheduled bank account contemplated under RERA and can be used only for the purpose of the land cost and construction cost. In this manner, besides the terms of the lending documentation, the RERA will provide further restrictions on the loan amounts being diverted for other purposes. Further, in the event there is a default by the developer of the terms of the lending documents, then as an allottee, the banks/financial institutions can be repaid from this scheduled bank account. However, in the case of this interpretation there are certain provisions, rights and liabilities that will then need to be waived or will become inapplicable in the event of the banks/ financial institutions becoming allottees under the Act. For instance: under Section 19(10) of RERA, the allottee is required to take possession of the premises within two months of the occupation certificate being obtained. However, in my opinion, this right/ obligation should be waived between the parties by agreement to allow for the abovementioned interpretation to be made possible, which will allow the rights of the banks/financial institutions and the flat purchasers to co-exist and be equitable to all concerned parties.

EFFECT OF RERA ON PURCHASER: RERA will be applicable to all proposed and ongoing residential and commercial realty projects over a minimum area of 500 sq m, or having 8 flats, including projects outside urban areas. Developers cannot even market the project without registering it with the Regulatory Authority; the registration can be revoked in case of violations. In such cases, the bank account of the project can be frozen, and the money used to complete the work.Builders have to mandatorily disclose every detail of the project on the website of the Authority, and update them quarterly. Failure to do so can attract a penalty up to 10% of the estimated cost of the project. Repeat offenders can be fined an additional 10% of the project cost, or sent to jail for up to 3 years.Real estate agents and brokers too have to be registered. Non-compliance with the orders of the Appellate Tribunal, by both brokers and property buyers, could attract a penalty up to 10% of the apartment cost and/or a jail term of 1 year. In the case of builders, the jail term may extend up to 3 years.In case of deliberate delays, builders will have to pay the same rate of interest as they levy on defaulting buyers. The consent of two-thirds of buyers will be required for a builder to make changes to the original plan, even if the planning body sanctions the modifications.

WHY WAS THERE A NEED FOR SUCH A LAW?Data for 8 major cities from the real estate research agency Liases Foras show that over 80% of the 25 lakh-odd residential projects launched over the last 10 years have been delayed. A quarter of these were delayed by more than 4 years over the promised date of delivery. The National Capital Region-Delhi accounted for most delays, followed by the Mumbai Metropolitan Region. Ahmedabad, Kolkata, Pune, Bengaluru, Hyderabad and Chennai didn’t fare much better.Homebuyers, at the receiving end of such delays, overcharging, and other fraudulent practices of real estate developers, have until now had no option but to watch their cases languish for years in the over-burdened consumer courts. Moreover, states have had obscure and varying definitions for terms such as carpet area, common areas, or car parking, leaving ample room for manipulation by developers. The new law provides for a series of safeguards to not only redress such situations, but to also pre-empt them.At the level of the state, the Regulatory Authority and Appellate Tribunal must dispose of cases within 60 days. Appeals to the High court can be made within 60 days. The law attempts to end the non-transparency that characterises transactions, where agreements are often tilted in favour of developers. Builders of both new and ongoing projects (ones that have not received completion certificate) must mandatorily register their project with the Authority in the next 3 months. Real estate agents too have to register themselves with the Authority within 3 months.

Conclusion: The RERA Act will improve the governance, bring more transparency and accountability into the realty sector. This regulator will govern all real estate transactions, thus improving the governance on the real estate sector by reducing disputes and making the system more transparent and robust.The setting up of a Real Estate Regulatory Authority in each state will bring in increased accountability in markets, thereby improving the sector’s credibility score and re-instating a sense of security amongst all stakeholders

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UNDERSTANDING ADOPTION OF CASHLESS PAYMENT – POST DEMONETISATION

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Abstract

Demonetisation has resulted major change in the Indian Society. Demonetisation affected the economy through unearth black money and provided with liquidity. Demonetisation has also shown a progressive shift towards cashless economy with the great adaptability of cashless payment. Due to this,in the recent past many changes took place like many digital wallets were launched such as - Paytm, Mobiwik, Free Charge, Ola Money, Airtel Money, etc. and government launching many UPI (United Payment Interface) solutions and BHIM app for smooth transition for digital payments. This research is based on cashless payment analysis after demonetization and its usability and adaptability in the Indian Society.

Keyword: *Cashless Payment, Demonetization*

Introduction: The demonetisation was initially seen by some sources as a significant step towards making India a cashless economy. Prime Minister Narendra Modi appealed to Indian population in his radio address in Dec 2016 to go cashless with slogan - *'Less-cash' first, 'cashless society' next*. The bans on Rs.500 and Rs.1000 currency notes have restricted the shopping ability of people through cash. Along with this, the ATM withdrawal limit of Rs 2,500 has complicated the entire matter further.This led to cashless phase where the digital wallets like Paytm and Freecharge are overpowering the country. With the ease of technology – smart phones which are available at minimal price has enabled a small shopkeeper, cab driver and auto driver to use cashless payment system to earn their regular income at the time of demonetisation

Review of Literature:

Annamalai, S. and Muthu R. Iiakkuvan (2008) in their article "Retail transaction: Future bright for plastic money" projected the growth of debit and credit cards in the retail transactions. They also mentioned the growth factors, which leads to its popularity, important constraints faced by banks and summarized with bright future and scope of plastic money.

Ashish Das, and Rakhi Agarwal, (2010) in their article "Cashless Payment System in India- A Roadmap" Cash as a mode of payment is an expensive proposition for the Government. The country needs to move away from cash-based towards a cashless (electronic) payment system. This will help reduce currency management cost, track transactions, check tax avoidance / fraud etc., enhance financial inclusion and integrate the parallel economy with main stream.

Dr. Ravi CS (May 2017) in his research paper "Digital payments system and rural India: A review of transaction to cashless economy"has mentioned that "Countries where cashless payments have been implemented had resulted positive outcome for an economy." He has also stated that "the present digital payment system is at emerging stage and needs considerable amendment".

Deepika Dhamija and Ankit Dhamija (May 2017) in their paper "Impact of Demonetization on E-Commerce Websites & Payment Systems" has identified the 80 percent growth in payment gateways and low -value transactions.

Objective: To understand the acceptance of cashless payment after demonetization by Indians.

Methodology: The paper is based upon the findings from relevant literature. Secondary data was collected from newspaper, magazines and internet sources in order to make the study an effective one. The study attempts to examine the adoption of Cashless Payment System after demonetization in India.

Cashless Payment: The use of plastic money, electronic transfer and e-cash for the payment rather than physical exchange of bank notes or coin.

Modes of Cashless Transaction:

1. **Aadhaar Pay** also known as AEPS (Aadhar Enabled Payment System). In this system the user has to give his aadhar number and finger print to the merchant for making the payment. It does not require any smart phone. On the other hand, it also provides security as it is encrypted with finger print. If someone tries do so it is directly reported to Bank. Five banks were gone live over Aadhar pay services in rural area like Andhra Bank, IDFC Bank, IndusInd Bank, State Bank of India and Syndicate.
2. **E Wallets** also refers to mobile wallet. After demonetisation, use of e wallets has been implemented at a very large-scale. These e wallets allow users to make payments using your mobile number or by scanning a QR code which takes place in a second. All you need to have a Smartphone and the wallet. Some of the popular wallets are Paytm, Airtel Money, Citrus pay, HDFC Payzapp, Mobikwik, freecharge.
3. **UPI** also known as Unified Payments Interface is another great way to go cashless. UPI is system of payments where various bank account are linked into one single mobile App and the holder can make the payment through it at any time by using MPIN. It is used to send and pay money. Most of the Bank does not charge any transaction fee.
4. **Plastic Moneymeans debit cards, credit cards and smart cards** that are used for cash withdrawal and POS machines while shopping. Having a debit or credit cards make you burden free from carrying physical cash.
5. **Electronic Fund Transfer** is another handy way to get cashless transactions done.It means one can transfer money to other accounts by sitting at any place. All you need is Internet banking service from your bank., It has three aspect of transfer such as NEFT, RTGS, IMPS.

Growth in Digital Transaction After Demonetisation:

1. Overall Digital Payments Trends:

For studying the overall digital payments and non-cash components in India, the following payment modes were selected: RTGS, Retail Electronic Clearing (which includes ECS, NEFT/EFT, IMPS, and NACH), Cards (Credit POS and Debit POS), PPI (which includes m-Wallets, PPI Cards, Paper Vouchers) and Mobile Banking. For Cards, both debit and credit, only POS numbers were included because they related to the non-cash components. The data related to these payment indicators are published by RBI in its bulletins monthly.

Looking at the volume of transactions in the digital payments space, we can see that it increased from 1,271.16 million transactions in 2011-12 to 10,739.76 million transactions, growing at a yearly average of 53.8%.

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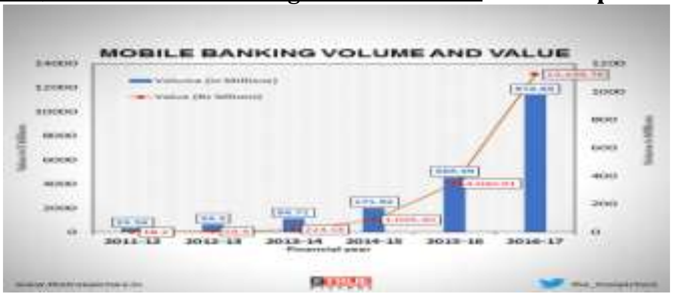
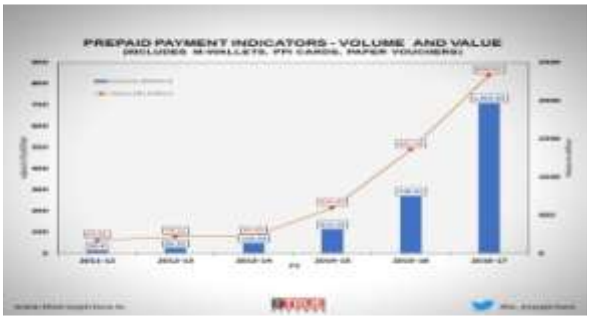
2. **Mobile Banking Trends:** Mobile Banking in India has seen phenomenal growth and we can see that it has grown 150 % in volume and 224% in Value of transactions from the financial year FY2015-16 to FY2016-17.The trend in Mobile Banking transactions has seen dramatic rise post November 2016 demonetisation, as large number of people started preferring mobile banking and other alternatives of digital payments.



3. **Prepaid Payment Instruments (M-Wallets, PPI Cards And Paper Vouchers)**

Prepaid Payments Instruments have also experienced an impressive growth in India, mainly due to the growing popularity of m-Wallets. The volume of PPI transactions grew by 162.5% from FY2015-16 to FY 2016-17, with m-Wallets accounting for the bulk of transactions. During the same period, the growth in value of transactions was 71.8%.This is a very important trend pointing out the broad basing and popularity of digital payments. That the volume of transactions grew at a much higher rate, (more than double) than growth in value (which itself is very high), implies that more and more number of people have used PPI transactions, even for smaller value transactions. This indicates the spread and popularity of PPI (mainly m-wallets) and that even for low value transactions, which were possibly settled using cash previously (like daily grocery purchase etc), are now being done digitally.



4. ***Unified Payments Interface &Bhim:*** Unified Payments Interface (UPI) was launched under the present government, by National Payments Corporation of India in 2016 and from 25th August Banks started to adopt UPI enabled apps for their customers. So far 52 banks are live on UPI and number of transactions have crossed over 1 crore in just under a year of its existence. Here again, we see the dramatic increase in UPI adoption post demonetisation. After the launch of UPI, the BHIM app or the 'Bharat Interface for Money' app was launched in December 2016. BHIM allows for quick transactions using UPI. As of July 2017, just seven months after its launch, the BHIM app processes over 54 lakh transactions per month and 52 banks have now introduced the BHIM facility. [Source: http://www.npci.org.in/BHIM-Analytics.aspx]

Encouraging Public for going Cashless by Government: To encourage poor and illiterate people in rural areas to make digital payments, the government is promoting Aadhaar Pay which ensures financial transactions by just using fingerprint.The Jan Dhan Aadhaar Mobile (JAM) can encourage digital transaction culture. It is spreading to reach each remote corner of the country. A large number of government transfers (DBT) are made through JAM mode. This will help people to get digital transaction awareness The role of the government in these cases will be to make cashless transactions mandatory for certain payments and make it mandatory for certain services exceeding a certain amount which has already been initiated.

ConclusionIt has been observed that the use of cashless payment mode has tremendously increased after demonetization. Mobile wallet usage awareness has spread among the people in India due to government policy of demonetization and this as forcefully induced the usage of mobile wallet. Though there is growth in cashless payment prior to demonetization, it needs more awareness among non-users. To increase the use of digital wallet, it is required to educate consumers about the benefits of e-wallets in simplifying and streamlining their purchasing experience and providing discount offers and reward points. It has also been observed that the cashless payment is not only safer than the cash payment but is also less time consuming. It also helps in keeping record of the all the transaction done which results in achieving demonetization objective of curbing the black money. So, it is without doubt said "cashless payment system leads to corruption less"

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IMPACT OF GST ON PHARMACEUTICAL COMPANIES IN INDIA

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Abstract

GST also known as the Goods and Services Tax is defined as the giant indirect tax structure designed to support and enhance the economic growth of a country. More than 150 countries have implemented GST so far.GST will not only develop a common Indian market but also reduce the cascading effect of tax on the cost of goods and services. As we can say that GST is game changing reform for the Indian economy. There are mixed response, inexplicit, arguments and opinions among the Manufactures, traders and society about the Goods and Services Tax (GST) to be implemented by Government of India from 1st April 2017 this year. As the Goods and Services Tax Bill was passed in the RajyaSabha, it also brought India at the center of the global economy. Under the proposed GST regime, various Indirect taxes would be under a one rule (except for few taxes such as Stamp Duty), and hence a simpler tax regime is in order, especially for the Pharma industry. The Pharma industry has been campaigning to address the present inverted tax structure in GST and also for a lower GST rate for Pharma products. GST would have an impact on pricing, working capital, contracts with vendors and customers, ERP systems, processes, internal control and accounting. Another important impact of GST on Pharma companies would be the opportunity to review the supply chain and move to a supply chain based on business parameters. Hence, GST would impact every aspect of the business. The paper highlights the background, Prospectus and challenges in Implementation of Goods and services Tax (GST) in India and its impact on pharmaceutical companies. Finally, the paper examines and draws out a conclusion

Keywords*: GST, Pharmaceutical companies, Impact of GST, Challenges, GST effect on price of medicine*

Introduction: The Goods and Services Tax (GST) is the biggest tax reform since independence. It will include all taxes at various stages of value addition in production process of goods and services. These taxes were levied by multiple authorities such as local (municipalities), state and central governments. It is the amalgamation of Central and State taxes into a single tax payment. It supporting and enhancing the economic growth of a country in domestic market as well as in international market. GST is expected to beneficial most of the industries including Indian pharmaceutical industry in the long run. It is expected that the new GST regulation would benefit the consumer by making affordable prices of health care product. GST is thesubsume various taxes like VAT, CST, Service tax, excise duty, additional excise duty, Luxury Tax, Entertainment Tax and many more. GST is the single taxation system in India which will help in eliminating time, cost and effort. The analysts warned that there will be very less effect on the inflationary impact of GST on prices of medicines in the short run of one or two years. Also, the impact on pricing of drugs will be neutral up to **12%** tax rate and beyond that, there will be inflationary effect to some extent. The main concern is the rate of GST must be kept at a competitive level in order to have no increase in prices of drugs and medicines. GST may also have the impact on companies to clean up their supply chain in order to save taxes.

Experts have enlisted the benefits of GST as under:

1. It would introduce two-tiered One-Country-One-Tax regime.
2. It would subsume all indirect taxes at the center and the state level.
3. It would not only widen the tax regime by covering goods and services but also make it transparent.
4. The manufacturing sector would be free from cascading effect of tax by improve the cost-competitiveness of goods and services.
5. It would bring lower the prices of goods and services and increase consumption.
6. It would create business-friendly environment, thus by increase tax-GDP ratio.
7. It would enhance the ease of doing business in India.

Objectives of study:

1. To know the retail prices of medicines after implication of GST.

2. To know the impact of cost of production.

3. To know the impact on various cost.

4. To know the comparative analysis on Pre and Post GST period.

GST in other countries: Most of the countries in the world almost 160 countries especially the ones with advanced economy have Goods and Services Tax or similar tax system, some have been in place for more than fifty years. These include France which is the first country who implemented GST in 1954, China (1994 modified in 2016), Japan (1989), Malaysia (2015), Australia (2000), New Zealand (1986), Singapore (1994), and Canada (1991). There are more than 40 models of GST all over the world. India's GST system is closer to that of Canada with two components (state and the center).Even smaller economies like Seychelles, Gambia and Congo have introduced GST in last five year. The countries introducing GST have faced short term disruptions such as protests, inflation spikes, burden on small businesses etc. before the benefits start emerging. India has four slabs of taxes (5, 12. 18, 28 and on some goods sin tax of 40%) where almost all other countries have only one slab.There is no doubt that GST is going to affect almost every sector of the economy in India, so the experts are trying to analyse their respective sectors and their growth under the umbrella of GST.

Views on GST:

1. **DilipSanghvi** of Sun Pharma also openly applauded the introduction of GST and feels that it will have a positive impact on Indian industry and specifically Pharmaceuticals.
2. **Suneeta Reddy** of Apollo Hospitals Group sees this as a bold step towards universal health coverage. With ease of doing business in the country with one country one tax and create an equal level playing field for the pharma companies in the country.
3. **Ramesh Swaminathan** of Lupin Ltd. hopes this will make healthcare more affordable. GST will also encourage local manufacturing sector to step into producing products that will be more affordable for the local consumers.
4. **RekhaRanganathan,** of Philips Healthcare Innovation Center takes this as a strengthening move towards our Prime Minister's "Make in India" initiatives.
5. It was stated by **SujayShetty**, the leader of the pharma and life sciences at PWC India that the simplification of supply chain and improved operating environment will alone add **2%** to the size of the pharma market and even a **2%** reduction in production or distribution cost of medicines will add the profits up to **20%**.
6. **AnnaswamyVaidheesh VP**, South Asia & managing director, GlaxoSmithKline Pharmaceuticals told TOI."This is a phenomenal change, and will lead to better logistics and efficiency in operations",
7. **RanjitShahani**, VC and MD of Novartis India, feels that the move needs to be viewed in terms of the big picture, pure arithmetic and operational efficiency it involves. "Only if there are substantial net savings for companies, will they pass on the benefit (to consumers)".
8. **Hitesh Sharma,** Tax Partner and leader life sciences, EY India, "The impact on pharma is rate-dependent, and if the impact is upto 12%, it will be neutral".
9. **Suresh Nair,** partner of indirect tax, says"The overall tax impact could also depend on the locations where these companies manufacture their products, as it is not yet clear whether the tax waivers given by states such as Himachal Pradesh and Uttarakhand will continue in the GST regime thereby impacting the costing,"

Impact of GST on Pharmaceutical companies in India:

Positive Impact:

1) The **Biggest advantages for the Industries**, Traditional Cost and Distribution Model will get replaced by supply chain efficiencies due to discontinuance of the Central Sales tax and interstate

transactions between two dealers will become tax neutral. This will lead to a decrease in cost which can be added to margins and even customers will get benefited from it.

2) Reduction in transaction cost would be the biggest advantage to the industry with an immediate impact coming from the discontinuance of CST. The multistage taxation along with the inability to take full benefit of the CENVAT credit /refund has been an issue for the industry. With central GST expected to be a single rate for goods and services. If the legislation provides for carrying forward of the unutilised credit this would be an additional boost to the industry.

3) Organisations will be able to explore different distribution models such as setting up mother warehouses and regional distribution hubs and consider stepping away from traditional C&F and distributor based models currently adopted. The C&F agent operates at 4-6% margin on MRP, distributor wholesaler operates at 7-8% margin on MRP and retailers at 20% margin on medicines This will lead to logistics and distribution to evolve as a competitive advantage through improved service levels, faster turnaround times and better fill rates at lower costs by, the GST impact to the end consumer is less than 1% by cutting C&F cost.

4) GST would do away with the existing penalties on inter-state sales transactions and facilitate consolidation of vendors and suppliers, eliminating the need to have state wise warehouses to avoid CST and the associated paperwork. This will enable companies to consolidate warehouses, rationalise their networks and take advantage of economies of scale, improved efficiencies, better control and reduction in inventory.

5) As Indian pharmaceuticals companies look forward to revenue growth on one side and the need to reduce costs, GST offers a great opportunity to revisit their Supply Chain & distribution strategy to develop an agile, customised and cost-efficient supply chain.

6) The application of a single tax rate across all goods and service will result in redistribution of taxes across all categories. This will lead to a reduction in taxes on manufactured goods and thereby impacting the pricing of the final product.

7) GST may not be useful in averting medicines without a prescription, but rather it might be useful in counteracting without Bill prescription practice. Proposed GST is material at MRP esteem; Government will get charged at MRP esteem.

8) Producing units in excise zone will get profits by GST whereas assembling units in extract free zone will endure a considerable measure. The majority of assembling units in the pharmaceutical area are reliant on employment work, outsider assembling or credit authorising and so on. Extract free zone units were the significant favourable position of extract free which will end of execution of GST.

9) While there may not be a huge impact of GST on medicines, but a tax rate of **5%** on life-saving drugs that treat diseases like malaria, HIV-AIDS, tuberculosis, and diabetes is expected to marginally increase prices of thesedrugs.Until now, these drugs were exempted from excise and customs duties. However, a few states were charging 5% on these drugs which will now be subsumed under GST. Under GST, there will be a 12% on formulations and 18% on APIs (active pharmaceutical ingredients) – the bulk drugs that go into the making of final pills and tablets. . For the consumer the cost of drugs will come down.

10) GST is also going to help our thriving Medical Tourism industry in an indirect way. It already enjoys competitive advantage over other First world nations with revenue of over $2 billion presently. With GST it will grow by manifold. Cost of medicines and services, insurance and international travel will reduce resulting in better prospects of attracting medical tourists more to the country. The revenue from medical tourism in the country has grown from $334 million in 2004 to $2 billion this year.

11) One more benefit likely to accrue due to GST is the reduction in the overall cost of technology. Currently, the technical machinery and equipment which are imported into the country by the healthcare sector are very costly. Also, the duty which is levied is not allowed as a tax credit under the present tax regulations. Under GST, duty charged on the import of such equipment and machinery would be allowed as a credit.

12) The biggest advantage for the companies would be the reduction in the overall transaction costs with the withdrawal of CST (Central Sales Tax). GST would help the Pharmaceutical companies in rationalising their supply chain so GST is also expected to lower the manufacturing cost.

13) **Inverted duty structure:**The Model GST law provides for refund of accumulated credit resulting out of increased rate for inputs vis-à-vis reduced rate of output supply, a welcome change for the pharma industry, which has been struggling with a high amount of blocked credit.
14) Implementation of GST and alignment of a firm's supply chain to it will directly help in reducing cost on transportation, warehousing and inventory holding by 5-8 per cent, 10-12 per cent and up to 28 per cent respectively for each of the cost heads, leading to an overall savings in the range of 10-12 per cent of the total logistics cost.

Negative Impact:

1) The main drawback of the **GST** is that it is still not clear that whether the healthcare sector, as well as life-saving drugs and medical devices, will continue to be exempted from the taxes after the implementation of the Act or not.
2) Many experts however have pointed out to the negative impacts GST would have on the prices of some medicines that are taxed currently at the rate of 5% but may attract a tax of 12% post GST.
3) The same effect can be seen on Active Pharmaceutical ingredients or raw materials that will have an impact on the cost. Uncertainty on the prices of life-saving drugs and healthcare services post-GST is another matter of concern.
4) Exemptions in Excise and Customs Duties on such medicines and services may not exist in this post GST era.
5) Impact of GST on the free drug samples, existing bonus schemes and the inter-state movement of expired products or stock transfers are still not transparent.
6) Also, if the area-based exemptions enjoyed by the pharma companies by setting up their units in some specific locations no longer exist, this increased cost will be burdening the end consumers.

Comparative analysis on Pre and Post GST period. GST would have an impact on pricing, working capital, contracts with vendorsand customers, ERP systems, processes, internal control and accounting. Anotherimportant impact of GST on Pharma companies would be the opportunity toreview the supply chain and move to a supply chain based on businessparameters. Hence, GST would impact every aspect of the business.

Particulars	Pre GST	Post GST
Inverted Duty structure	Inverted excise duty structure for formulation vis a vis API led to the Accumulation of Cenvat credit - Cost to Manufacture.	Refund of accumulated credit proposed to be allowed in case rate of tax on input is higher than the rate of tax on outputs.
Area-base dexemption	Area-based exemptions under the Excise Legislation and State Industrial Policy.	Transactions without consideration is deemed as 'Supply'. 1. Possibility of services provided by R&D centres to the manufacturing plants to be treated as free supply for GST purpose. 2. It could increase the Expenses related to promotion. 3. Taxability of free samples/physician samples 4. Impact on Patient Assist programmes. 5. Impact on supplies of expired goods for destruction purposes.6.Valuation could be a challenge.

Job Work and Loan License Model	1. Supplies to loan licensee: No VAT 2. Formulations cleared by job-worker to loan licensee is subject to excise based on MRP minus abatement. 3. Processing charges paid to loanlicensee: no service tax.	Special provisions for movement of goods without payment of GSTsubject to permission
Stock transfer and supply chain issues	1.No tax on stock transfer 2. MRP-based valuation	1.GST on inter-state stock transfer. 2. No clarity on intra-state stock transfer. 3. Stock transfer between two business segments/verticals having different GST. Registrations in same state subject to CGST and SGST. 3.Valuation will be based on thetransaction value.
Input taxcredit	Receipt of Goods and Services & Payment by vendors – apre-condition for credit.	Can be claimed only if the GST hasbeen paid by the supplier.
Transportation cost	Currently for transportation from manufacturing unit to warehousing and warehousing units to retail outlets depends on the carry and forward agents (C&F As) in the supply chain which constrict the profit margin.	Availability of tax credit in logistics would be created as it covers tax on both goods and services. It will lead to elimination of C&F As.

Conclusion: The impact of GST on the pharmaceutical industry is still not very transparent. But both end consumers and industry players hope this to culminate in a win-win situation. With reduced complexities and overall reduction in cost this translates to be a profitability and promising development. No doubt, GST will simplify existing indirect tax system and will help to remove inefficiencies created by the existing current heterogeneous taxation system The impact of GST on the pharmaceutical industry is still not very transparent. But both end consumers and industry players hope this to culminate in a win-win situation. With reduced complexities and overall reduction in cost this translates to be a profitability and promising development.In a broad spectrum, it is an analysing phase for the healthcare sector to see the impact of GST. The experts of the healthcare sector are confident that the post GST period will bring the strategic change and will create a positive environment by minimizing the obstacles and complexities in the growth of healthcare sector and have a positive impact to bring down the cost of health.

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REFORMSINBANKINGSECTOR–DEMONITISATION

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Abstract

*A historic day in the history of India, when Prime Minister of India, Shri. Narendra Modi. has announced the Demonitisation of all Rs. 500 and Rs. 1,0000 banknotes of the Mahatma Gandhi Series.His announcement was blow to the whole country. First we INTRODUCE The man who inspired India's demonitisation still believes and vision it was totally worth it for Development of india and Boost Economy. Which was the founder and President of (**"Arthakranti Pratishthan"**) Shri. Anil Bokil. A Pune-based think-tank, in 2004, and has been advocating for demonitisation for several years now. He first met Modi in Ahmedabad in 2013, when the letter was announced as the prime ministerial candidate for the Bharatiya Janata partyHowever, Anil Bokil. the man who has been credited with giving the government the idea for demonetisation, this proposal have five points believes that the exercise was absolutely necessary to improve the economy.*

Introduction Banking sector reforms were an important part of the broader agenda of structural economic reforms introduced in India in year the of (1991) first stage of Banking Sector Reforms was shaped by the recommendations of the Committee on the Financial System In the light of these requirements, two expert Committees were set up in 1990s under the chairmanship of M.Narasimham (an ex-RBI (Reserve Bank of India governor) which are widely credited for spearheading the financial sector reform in India. The first Narasimhan Committee **(COMMITTEE ON THE FINANCIAL SYSTEM – CFS)** was appointed by Manmohan Singh as India's Finance Minister on August 1991, and the second one **(COMMITTEE ON BANKING SECTOR REFORMS)** was appointed by P. Chidambaram as Finance Minister in December 1997. Subsequently, the first one widely came to be known as the **NARASIMHAM COMMITTEE-I (1991)** and the second one as **NARASIMHAM-II COMMITTEE (1998)** The purpose of the **Narasimham-I Committee** was to study all aspects relating to the structure, organisation, functions and procedures of the financial systems and to recommend improvements in their efficiency and productivity which was submitted its report in December 1991, suggesting reforms in banking, the government debt market, the stock markets, and in insurance. all aimed at producing a more efficient financial sector and for the development of India. The **Narasimham-II Committee** was tasked with the progress review of the implementation of the banking reforms since 1992 with the aim of further strengthening the financial institutions of India.[4] It focussed on issues like size of banks and capital adequacy ratio among other things. M.Narasimham, Chairman, submitted the report of the Committee on Banking Sector Reforms (Committee-II) to the Finance Minister Yashwant Sinha in April 1998.

"IMAGINE PAYING FOR EVERYDAY PURCHASES DIRECTLY FROM YOUR BANK, WITHOUT THE NEED FOR CARRYING CASH". It's Possible After reforms in banking sector with major transformation focused on technological innovation. Internet banking has emerged as the biggest focus area in the "Digital Transformation" Technology of Core Banking, Launched the Unified Payments Interface (UPI) system Enables for all the Bankholders as it's offering services at easily stay connected and convenience to easily use for ONLINE TRANSACTION boosting the benefits of all banking services at home. The interface has been developed by National Payments Corporation of India **(NPCI)**, the umbrella organisation for all retail payments in the country. The UPI seeks to make money transfers easy, quick and hassle free.

Objective of study

1. To study reform in banking sector after demonitisation.

2. To study the impact of modernization and major transformation with the advent of latest technology upgradation.
3. To examine the scenario of Reforming in banking sector after demonitisation.

Research Methodology: The study and observation is purely based on secondary data. The material at the disposal of study from own knowledge and various articles.

Literature Review: Mr .M. Narasimham, Dr. Manmohan Singh, Shri. Anil Bokil their intellectual contribution and visionary thinking for development of india, analysis and observe why indian economy as slow down. Futher they suggested new ideas towards for India's banking sector and Indian Economy have a bright future. Narasimham Committee-I (1991) report and observe Indian Banking System have made appreciable progress in having geographical reach and functional strength. Inspite of this commendable progress, several issues had emerged which had resulted in decline of productivity, efficiency and erosion of profitability of the Banking Sector and the Narasimham Committee-II (1998) review the progress of Banking Sector reforms and recommend further reforms necessary to strengthen the Indian Banking System and making it internationally competitive. The committee has submitted it's recommendations to the Government. Measures to strengthen the foundation of the Banking System, Streamlining procedures, upgrading technology and human resource development, Structural changes in the system. These recommendations not only helped unleash the potential of banking in India, they are also recognised as a factor towards minimising the impact of global financial crisis, Inspected that which is obstructing the development of our country. Dr. Manmohan Singh (1991) proposed new policy's to saved the Indian Economy.

Shri. Anil Bokil (2016) proposal of Demonitisation exercise to raise to tackle black money and improving the economy of india, suggested that the PM study the roots of corruption, poverty and unemployment.

FEAUTURE OF REFORMS IN BANKING SECTOR AFTER DEMONITISATION : EVOLUTION AND BACKROUND DEVELOPMENTS

1. INTERNET BANKING
2. BUSINESS INTELLIGENCE
3. CUSTOMER MANGEMENNT
4. RISK MANAGEMENT AND INFROMATION SECURITY
5. TECHNOLOGY IN TRAINING AND E-LEARNING
6. FINANCIAL INCLUSION
7. MOBILE BANKING
8. PAYMENT SYSTEMS

If Indian History of Banking Reforms studied accurately, we will understand the what are changes in our country, present stance can be viewed as one of the modernization and major transformation with the advent of latest technology upgradation in banking sectors. Almost immediately after embracing the internet as a channel for banking services, paying cost of daily routine using one click of digitally expand payment interface system of banking sectors after demonitisation government companies started work together towards the development of Indian Banking system. Project were developed aimed at enhancing the growth of Financial inclusion open bank accounts of all people with minimum KYC process **UNDER THE SCHEME OF AS PRADHAN MANTRI JAN DHAN YOJANA (PMDJY)** as part of financial inclusion along with other major schemes like mudra, gold monetization, insurance delivering of financial services at affordable cost to lower income groups, at lower cost to each and individual person of the society It not only helps people to safe guard there savings but also improves living conditions of the society. It always beneficial to have the minimum cash in the economy as having more cash leads to black money deposition and other side effects like corruption. By financial inclusion economy not only becomes transparent but we it also grows on enormous scale.

BusinessintelligenceHowdidReformsinBankingSectorafter Demonitisation? According to Dr. Rajan warned the Government that any delay in reform of the banking system in the country would lead to greater risk in the economy. “Participation is best enhanced not through subventions and subsidies but by creating supporting frameworks that improve transparency, contract enforcement, and protections for market participants against abusive practices,” he added. According to RBI Governor, technology can be very helpful in reducing the costs of supportive frameworks, and can bring hitherto excluded populations into the financial fold. “It is these ideas that guide ourmedium-term reform strategy.”

IndianRupeeAfterDemonitisation: After demonitisation of Indian currency on 08 Nov 2016, rupee has became stronger than currency of 143 countries or economies. Out of 161 countries currency, rupee has became weaker than 17 currencies and is at same exchange rate with 1 currencies. Rupee has became stronger by 0.95% against US Dollar from 66.40 to 65.78 INR per unit US Dollar. Rupee has become stronger against some popular currencies like Euro, Australian Dollar, Swiss Franc, Singapore Dollar, Japanese Yen, British Pound, Canadian Dollar and Hong Kong Dollar. Became weaker than Russian Ruble and South African Rand. Indian rupee (INR) became stronger than currencies of other south Asian Nations PakistaniRupee, Sri Lankan Rupee, Bangladeshi Taka.In Modi government, rupee has became stronger than 107 currencies.

FACTS OF CENTRAL BANK (RBI)

- While critics have argued that Prime Minister Narendra Modi's black money jolt last year brought down India's GDP growth by almost 1 per cent, Finance Minister Arun Jaitley defended the move saying that idea behind demonetization was to not just root out black money but also to increase transparency, digitisation, tax base, formal sector, minimize the cash in the economy and to curb terror funding.
- Even though there may be little evidence to suggest that India became a more formal economy after note ban, one can take some solace in the fact that the 99% of scrapped currency notes that came back to the banking system have now been accounted for and tax authorities are pursuing people who had deposited illicit money in the banks. However, with demonetization, it seems the government and RBI had much to lose.
- Demonetization was the one of the main reasons for Reserve Bank of India's lower-than-usual profits. The government too received a lesser dividend from the central bank as compared to what it received in the previous financial year. RBI transfered a meagre Rs 30,659 crore as dividend to the government for the year ended June 2017, which is less than half of what it gave to government a year ago, Rs 65,880 crore to be precise.
- While income for the year 2016-17 decreased by 23.56 per cent, the expenditure increased by 107.84 per cent. The year ended with an overall surplus of Rs 30,659 crore as against Rs 65,876 crore in the previous year, representing a decline of 53.46per cent.
- The net income from domestic sources decreased by 17.11 per cent from Rs 52,157 crore in 2015-16 to Rs 43,232 crore in 2016-17 mainly due to higher net expenditure on interest on account of absorption of surplus liquidity in the banking system post withdrawal of Specified Bank Notes.
- RBI incurred a total expenditure of Rs 7,965 crore on printing currency notes in 2016-
17, which is more than double the Rs 3,420 crore spent year before that. The rise in cost of printing could be attributed to printing of new currency notes during remonetisation.
- "The upsurge in expenditure during the year was on account of change in the production plan of printing presses due to the introduction of new design notes in higher

denominations as well as the requirement of larger volume of notes for replacement of the demonetised currency," RBI said in its annual report

- "To ensure availability of banknotes across the country at the shortest possible time subsequent to the demonitisation, banknotes had to be frequently air-lifted from the presses to the Issue Offices of the Reserve Bank as well as directly to currency chests that contributed to the increase in the cost of distribution of banknotes," it added.
- Another huge expenditure was the Rs 13,140 crore provision that the RBI set aside towards its Contingency Fund. Provisions were at Rs 1,000 crore a year ago. Contingency Fund represents the amount set aside on a year-to-year basis for meeting unexpected and unforeseen contingencies, including depreciation in the value of securities, risks arising out of monetary/exchange rate policy operations.
- Data released by the RBI in its annual report stated that out of Rs 15.44 lakh crore worth of currency notes that were taken out of circulation, Rs 15.28 lakh crore have returned to the banking system and around Rs 16,000 crore is yet to be deposited back to banks.
- Without taking into account the individual hardships during demonetisation, the above data along with the economic cost of the demonitisation exercise itself, which includes sacrificing an estimate 1 per cent of GDP growth, one can easily say that economists hailing Prime Minister Narendra Modi's move to scrap high value currency notes asthe single biggest 'surgical strike on black money' have a lot to answer.

ADVANTAGES

If we are to believe the supporters of demonitisation, the government has successfully completed its demonetisation drive and the Indian economy has made some major gains. Here is what the supporters of demonetisation have to say about the benefits of demonitisation:

- A major achievement of demonetisation has been that it has helped the government in tracking black money. The government claimed that large sums of black money were kept hidden by tax evaders and demonitisation has helped it uncover the huge amount of unaccounted cash. According to estimates made by RBI during the demonitisation drive, people had deposited more than rupees 3 lakh crores worth of black money in the bank accounts.
- A major reason behind demonitisation was that a big part of black money was being used for funding terrorism, gambling, in inflating the price of major assets classes likereal estate, gold and other social evils. Demonitisation is acting as an effective countermeasure against such activities. Now all such activities are expected to get reduced for some time. If the claims are correct then it should take years for people to generate that amount of black money again and hence in a way it helps in putting an end this circle of people doing illegal activities to earn black money and using that black money to do more illegal activities.
- Another expected benefit was that due to people disclosing their income by depositing money in their bank accounts, the government will get a good amount of tax revenue which can be used by it towards the betterment of society by providing goodinfrastructure, hospitals, educational institutions, roads and many facilities for poor and needy sections of society.
- Another major objective of the government achieved through demonitisation was to push the Indian economy towards becoming cashless. The government succeeded incouraging people to use digital means for making transactions.
- Economy has witnessed close to 20% decline in currency in circulation, number of taxpayers has considerably increased and a large number of shell companies have beenidentified.

DISADVANTAGES

On the other hand, the critics of demonitisation have a completely different opinion about the effects of demonetisation on the Indian economy. Here is what they have to say about the drawbacks of demonitisation.

- The biggest disadvantage of demonitisation has been the chaos and frenzy it created among common people initially. Everyone was rushing to get rid of demonetised notes while the inadequate supply of new notes affected the day to day budgets of citizens. Banks and ATMs witnessed long queues while small businesses suffered temporary financial losses. The situation was even worse in rural India where people struggled to exchange and withdraw cash due to lack of enough number of banks and ATMs in their vicinity.
- Another disadvantage is that destruction of old currency units and printing of new currency units involve costs which has to be borne by the government and if the costs are higher than benefits then there is no use of demonitisation.
- Another problem is that this move targeted the black money, but many people who had not kept cash as their black money and rotated or used that money in other asset classes like real estate, gold and so on were not affected by demonitisation. It turned out that more than 99% of demonetised currency came back to the RBI and was accounted for. Therefore, the government's claim about black money fell on its face.

LATESTUPDATE:PRESSRELEASEBYCBDTONIMPACTOF DEMONETISATION–DATED31-8-2017

CBDT disclosed information on how demonitisation affected black money and helped inwidening of tax base and direct tax collections.

Increase in Surveys, Searches & Detection of Black Money

Based on demonitisation data, the government boosted its enforcement actions which had the following results:

- There was 158% increase in number of searches (from 447 to 1152 groups)
- The number of seizures increased by 106% (from Rs. 712 crore to Rs.1469 crore)
- There was 38% increase in admission of undisclosed income (from Rs. 11226 crore to Rs. 15496 crore)
- The government conducted 183% more surveys (from 4422 to 12520)
- Increase in the number of survey resulted in 44% increase in the detection of undisclosed income (from Rs. 9654 crore to Rs. 13920 crore)

IncreaseinReturnFilingandTaxCollection

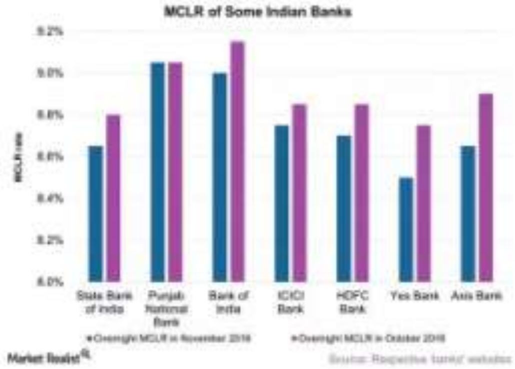
- The number of e-returns of Individual taxpayers filed till 5th August, 2017 (due date of filing) increased to 2.79 crore from 2.22 crore returns filed during the corresponding period of last year, registering an increase of about 57 lakh returns (25.3%).
- The total number of all returns (electronic + paper) filed during the entire Financial Year 2016-17 was 5.43 crore which is 17.3% more than the returns filed during FY 2015-16.
- For FY 2016-17, 1.26 crore new taxpayers (return filers + non-filers making tax payments) were added to the tax base (till 30.06.2017).

IncreaseinDirectTaxCollection

- Collection of Advance Tax under Personal Income Tax (i.e. other than Corporate Tax) as on 05.08.2017 showed a growth of about 41.79% over the corresponding period in F.Y. 2016-2017.
- Collection of Self Assessment Tax under Personal Income Tax showed a growth of 34.25% over the corresponding period in F.Y. 2016-2017.

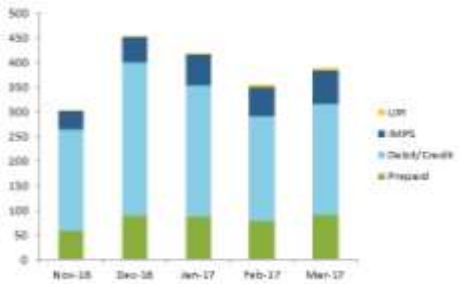
IMPACT: Emerging markets and developing economies face one of the central issues namely strengthening of financial systems. This is due to the reason that sound financial systems serve as an important channel for the achievement of economic growth through the mobilization of financial savings, putting them to productive use and transferring various risks. Even after Demonitisation Domestic banks were given access to cheap loans from abroad and allocated those resources to domestic sector production in was seen Reality only after Demonitisation excersice. Since the Asian financial crisis of 1997-1999, the importance of balancing financial liberalization with adequate regulation and supervision prior to full capital account liberalization has been increasingly recognized. The crisis was preceded by massive, unhedged short –term capital inflows, which then aggravated double mismatches and undermined the soundness of the domestic financial sector. A maturity mismatch is generally inherent in the banking sector since commercial banks accept short-term deposits and convert them into relatively longer-term, often illiquid, assets. Nevertheless, massive, predominantly short-term capital inflows-largely in the form of inter-bank loans-shortened banks' liabilities thus expanding the maturity mismatch.on some of the developments that have taken place in the Indian banking sector and challenges ahead for the banking sector as a result of process of banking reforms initiated in1992.

A New Form To Easily Access To Advantages Of Banking Sectors Service To Any Common Person Stay Connected With All Types Of Banking Services All The Things Are Possible In Year Of 2017, When Shri. Narendra Modi Became The Prime Minister Of India.



((STATISTICS of Marginal Cost of fund based Lending Rate))

((STATISTICS of Baking Channels Product))



THEFUTURESEENARIO

A) As on today total banking transaction is more than 2.7 lakh crores per day say more than 800 lakh crores annually.

B) The estimated cash deposits in the aforementioned accounts during November-December 2016 with 52 banks were Rs. 4,35,800 crore. Cash deposits in these accounts during September-October 2016 were Rs. 2,70,100 crore. Thus, the variation of Rs. 1,65,700 crore can be assumed to be the increase in cash deposits under these accounts due to demonetisation in the absence of any noticeable activity in such accounts during normal times.

C) Based on year-on-year growth of aggregate cash deposits), the estimated cash deposits in seven types of accounts with 52 banks were Rs. 4,35,800 crore during November-December 2016 and Rs. 3,06,500 crore during November-December 2015.

D) Now, cut to the present, in the demonitisation era. Inconvenience and fears of economic slowdown apart, each passing day throws up newer, mind-boggling conundrums: Fake new currency, bribes in the new currency, mysteries of disappearing people, unimaginably large stashes of cash, surges in bank accounts of the poor whatnots! Just what the human mind will conjure next is difficult to predict.

E) According to commitment given by India's Greatest Scientist **Shri. APJ Abdul Kalam** INDIA VISION 2020, It will be in Reality.

CONCLUSION: Since after demonitisation Now Everyone have Accounts An estimated 90% of the total Indian population is reachable over the medium to be to take advantage of Banking services, Due to **DEMONITISATION THE GROWTH OF INDIA'S BANKING SECTORS ARE TOUCHING THE HEIGHT OF SKY**.

It will also help to achieve a cleaner society with a low crime rate because it will become difficult for terrorists, smugglers and other racketeers to operate through banking channels.

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RECENT REFORMS IN TAXATION REAL ESTATE& BANKING SECTORIN INDIA

Suryabhushan M. Mishra & Dr. Nishit Dave, Research *Scholar, J.J.T.University.*

Abstract

The topic of the thesis is the tax aspects of the real estate in the context of the International taxation. In the Introduction to the thesis It is very important to see the view points of GST that is the reforms made in the taxation.

***Key Points**: Recent Reforms in Taxation Real Estate, Changing in the Banking sector in India*

INTRODUCTION: In today's world we are living with 1.1 billion people, India is the second most populous country after China & it is expected that we can beat them in near future say by 2030. So because of this reepid growth of population there is a need of strong policy & that should be implemented in the country. For that there is a need of change in the market, in the society, in the country. Recently there are many reforms made in different sectors like Banking , Taxation ,Budget ,etc. So, for that the government has announced various reforms related with above in India. There are various implication changes made in real estate we go over the basics of TAXATION of real estate/ investments/ transactions in India by individual investors. This is mainly applicable to Residential property transactions & not included the Commercial property transactions as rules may vary.While GST has been claimed to the biggest reform in India,there needs to be some thought given to the banking and financial services they are very crucial to the consumers and their investment pattern. As the Goods and Service tax(GST) rate for work contracts has been fixed at 12 per cent. The government has also included real estate under the tax transaction. Finance Minister Arun Jaitley told the media the GST Council was set to take up the matter in its next month on November 9. Government has set the rules and new rates for the new tax . These rates would rate form 5 to 28%, things of mass consumption would be taxed at the rate of five per cent, luxury would be taxed at 28 percent.

MEANING:As we know that GST has eliminate all the other taxes, & the benefits of being able to claim input tax credit can also improve developer's profit margins. GST is very important in today's world. Because it's replaces other multiple taxes that is levied by the central & state governments and will become subsumed of all the indirect taxes, including central excire duty, commercial tax, Octroitax, Value Added Tax (VAT),& Service tax.

On property also Why GST is needed, What is this concept 'One Nation One Tax.' It helps to eliminate the previous taxes completely. It helps us to easily compliances & get easy transactions payment with one Tax. It gives us uniform tax rates & structure.

GST is estate sector help us to reducing & protecting us to giving higher taxes that is the burden for the citizens. So, the Introduction of Good Service Tax that is applicable everywhere & for everyone. The end of the purchase consumer will bear Good Service Tax in the market & this tax is applicable to all & same at a time.by now we know about the Rajya Sabha decision that passing GST bill and this is the biggest implementation in the biggest tax reforms in India since

70 years.there is a single and unified tax-Goods & Services tax .For long India's had a system of layers of direct and indirect taxes that which added about 25% to 40% to the cost of goods sold. At the same time industries are also affected by this news. Because for all GST implemented 18%. So for the new reforms of taxation that is GST some places consumers may et benefit and some consumers may not. Some consumers will say like this that it can get a bit expensive for them. Some of the major fears for the customers may have is that the interest of loans,foreign courency , relail services,and trading in securities these all costs will be included fundamentally. Banks on the other hand also enjoy the benefits of this reform since above all said information.

FEATURES: There are many important things included for the Banking sector as well as fot the Taxation Real Estate likewise recently Implemental Real Estate & Regulation Act (RERA) has already working very greatly. It showing non- transperancy & a level of accountability for an investor is really a change. For the history of each & every property sector GST may not be instrumental in bringing down the prices of residential real estate over the short period of time but still it will bring down the prices of the real estate down. In a short period of time & this benefit is given to all & for everyone.This all benefit given for the property is given to the final customer, the government has included an anti- profiteering clause in the GST bill under section 171 of GST law. In current scenario, banks are constantly pushing the frontiers of risk management compulsion arising out of increasing competition, as well as there is agency problems between management, owners & other stakeholder for that bank have look at the newer avenues to recurring or upcoming revenues, while trying to cutting costs also. As banking in the future is more complicating but it's has a benefit for the people and the country like India, at this stage of Socio- economic development will be created.

BENEFITS: The Benefits of banking that allows millions of us to pay for goods, services & transfer money whenever & whenever we want. So banks plays very dominant role in our life. Banks contribute zillion of amount to our public services paying the services, nurses, teaches and other vital workers for each & every person's life bank play an important role as we need any emergency or urgency of the money we can easily get from the bank at a convinent rate the banking sector has always been an attractive option to all from all backgrounds & it's always truer than it is today. In Banks we are getting jobs and many people for that reason joing banking sector All states have tax provision to encourage particular land uses & to provide property tax relief to selected classes of Owners Real estate will be taxed at 18% under revised order from the government under construction properties will be taxed at 18% which includes 9% SGST plus 9% CGST. At the same time government has also given benefits of deduction allowed of land value equiralent to one third of the total amount charged by a developer.

IMPORTANCE: Taxes on homes, land , farms and other forms of real estate make up an important revenue source for state and local government…. As it is the one way of reducing the burden of taxes that already exist in so many numbers. So it is always useful & Beneficial for our country local government needs every time it can collect to pay for the service you expect as a resident Schools, Liabraries, Hospital & so on much of that Revenue comes from property tax so this is the most beneficial for the growth of our country. In Banking Sector there are lot of scope available the banking sector boosting the individual growth because it provides employers the chance to improve their job profiles as banking sector have vast variety types of work that is offers ensures that there is a profile that will definitely suit your interests. As it provide other important points also like. Extensive travelling, OpportunityFor growth of the economy preferable salanies, new variety you can get in the banking sector. The most important thing is to get the job security & Job satisfaction. The Importance of the banking sector is the 'lifeblood' of economic activity that is useful for the people of the society and at the same time its providing credits to the states, households and businesses is undisputable. The banking sector is most vital function for the company to be the sole function. As the general importance of the bank that its issue loans to both people and companies as per their requirements but with some terms and conditions are mentioned .

DISADVANTAGES :However, Our India is quite running towards the developing path but with that have to lack ahead that where we are lacking behind.as there are many disadvantages also available in real estate investment like legal difficulties. As now because of the changes its require lot to understand as well as you should be fully aware of the laws in each jurisdiction that you own property. Then the other one is the maintenance cost. In this if any owner of the property is renting out the property out of the units maintenance costs will incurred high. Other than this property taxes are also comes under the advantages of real estate as because of GST . In larger urban cities, property taxes can be significant and may cause the investor to lose their big profit from the business. While a single tax will make it easier for developers and buyers, it might increase the overall cost of under-construction properties if the rate is higher than current applicable service tax rate of per cent. GST will also be applicable in States where presently VAT is not applicable and this could reduce housing demand. As a stamp duty payable on property is not included in the GST, it could be an additional burden on buyers.

CONCLUSION: Our suggestion is to the governments, especially the progressive ones would be promote the banking systems differntiated role in the entirely throughout the world.it is always government have to see from society that is of the benefit of the city as well as the people of the country. So for that government should reduce this GST tax rate as it is differentiated, because it is charged over all the goods equal level of GST at the same rate but it is not for all the goods. It is applicable difference product at different level, so there is no uniformity applied in this new reforms of taxation. As of that it is the imbalance happened with the citizens of the society.it should be treated healthy competition in the market, and development bank that will be exempted from institutionalized standards of capital adequacy,in order to be used as the basic tool to fund economy and to achieve positive growth.

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DEVELOPING PROCESS OF SMART CITIES IN NAVI MUMBAI & KALYAN REGION AND ITS IMPACT ON STANDARD OF LIVING AND EMPLOYMENT PATTERN

Mahida Vijay K , *P.hd Scholar :- JJT University*

Abstract
The research is on smart cities which include the area of Navi Mumbai and Kalyan region. The study revealed the main aim behind the development of smart cities and its impact on standard of living of the people and also related to employability issues arises related to smart cities.. The research first focused on the basic facilities like water supply and electricity and their adequacy, environment and its sustainability and than change in employability pattern. The the main goal of this research was to look after the improvement of the management of urban flows and their allowacnes for real time responses to challenges in terms of employabilities and competencies. The researcher found all this by arranging the questionnaire and surveying around the cities of Kalyan and Navi Mumbai.
Keywords: *Smart cities, Environment, Sustainability Employabilities, Competencies*

Introduction:

1. A **smart city** uses information and communication technologies (ICT) to enhance quality, performance and interactivity of urban services, to reduce costs and resource consumption and to improve contact between citizens and government.
2. Sectors that have been developing smart city technology include government services, transport and traffic management, energy health care water and waste.
3. Smart city applications are developed with the goal of improving the management of urban flows and allowing for real time responses to challenges.
4. A smart city may therefore be more prepared to respond to challenges than one with a simple 'transactional' relationship with its citizens.
5. Other terms that have been used for similar concepts include ‘cyber Ville, ‘digital city’’, ‘electronic communities’, ‘flexi city’, ‘information city’, 'intelligent city', ‘knowledge-based city, 'MESH city', ‘telecity, ‘teletopia’’, 'Ubiquitous city', ‘wired city’.
6. Major technological, economic and environmental changes have generated interest in smart cities, including climate change, economic restructuring, the move to online retail and entertainment, ageing populations, and pressures on public finances.

Key terms defined:

Basic facilities-

1. In smart cities of kalyan and Navi Mumbai, the researcher first aimed on the basic facilities of the citizens living in that area such as did they get proper supply of water, Electricity and Education.
2. The cleanliness in the city.
3. The development of environment.
4. The traffic management and transport.

Standard of living:

1. The researcher aimed to the standard of living of the citizens such as the advantage of schools and colleges.
2. Hospitals and health care.
3. Communication and ICT facilities.

Development: The researcher aimed to the development of railway stations, bus stops and basic transport provided to the citizens.

Objectives of the study:

1. To identify the development of smart cities.
2. To point out the difference between the smart city of Kalyan and Navi Mumbai.

Scope of the study:

1. The study was conducted in the region of Navi Mumbai and kalyan.
2. Only the people living there for over 5 years was chosen.
3. The study focuses on the development of smart cities.

Research Methodology:

1. The survey has been conducted by using the primary method.
2. The Main method was Survey method.
3. The survey regarding the changes and experiences and opinions was conducted.
4. The sample size was 10.
5. The researcher visited to the places.
6. Among all the responses all the response's were valid and usable.
7. The sample size consisted of population between 25-60 years.
8. After the survey the final list was prepared by using Pie chart.
9. By doing percentage in pie chart form.

Limitation of the study:

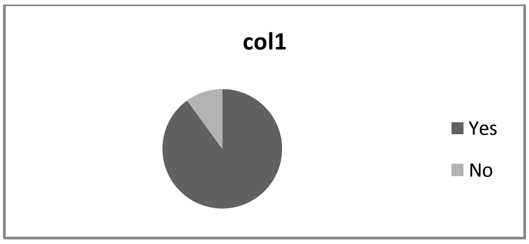
1. Time being the major constraint.
2. Sample size wasn't restricted but the time was limited.
3. Only the people living for more than 5 years were opted for the survey.
4. The researcher only studied the city of KalyanandNavi Mumbai.
5. As the survey of other smart cities wasn't possible because of the time limit

Findings of the study:

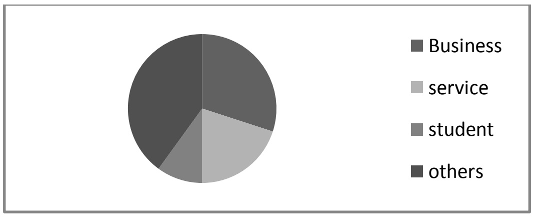
1. The India smart cities challenge is a competition for municipal leaders and their partners to promote economic opportunity in India improve governance and produce better results for urban residents.
2. To unearth the best possible plans from throughout India a range of 100 cities from every state will compete for funding in the first round
3. The India smart cities challenge is a competition designed to inspire and support municipal officials as they develop smart proposals to improve residents lives .
4. The smart cities mission aims to promote economic growth improve governance and produce better results for India's urban residents.

The researcher have been surveyed the citizens of Kalyan and Navi Mumbai. the following pie charts depict their experiences of their belonging city and the Facilities which are provided to them.

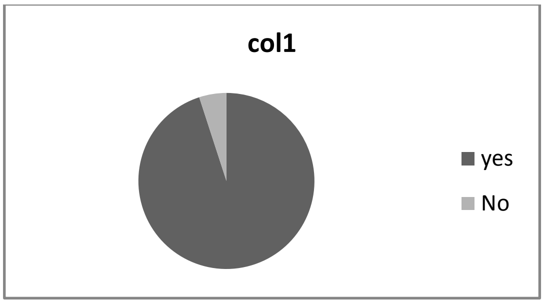
Proper Environment in terms of getting right Education and Employmentopportunities.



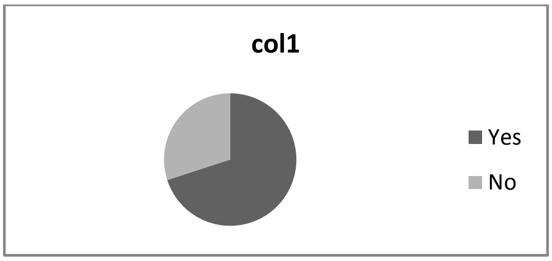
Occupation



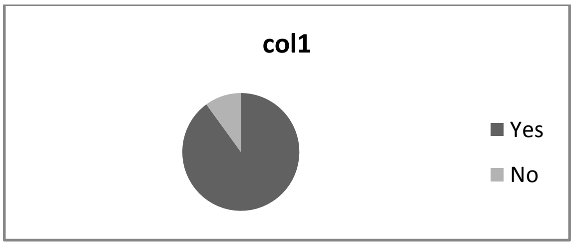
Adequate supply of electricity



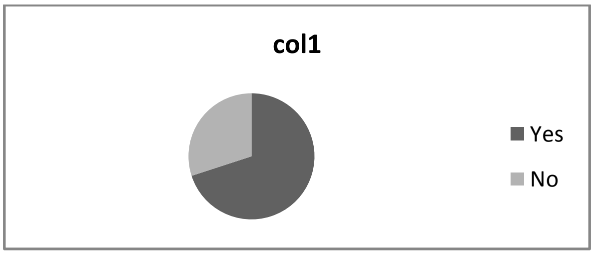
Adequate supply of water



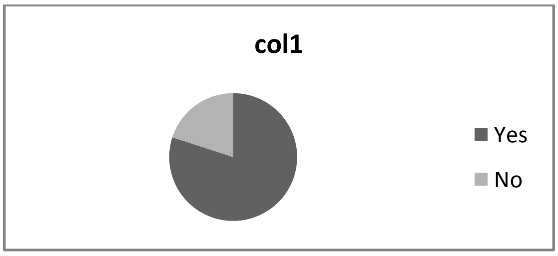
Better transportation and mobility



Proper maintenance of environment and sustainability



Proper sanitation facilities



Conclusion:

1. In this research paper the researcher had surveyed through the primary method the development and facilities of smart cities.
2. The city of kalyan and Navi Mumbai are been developing rapidly to make it a perfect city which can be called developed city or the smart city.
3. The citizens of these cities have shared their experiences and difficulties what they have faced when the city wasn't developed.

4. Some said that they faced the Problem of electricity supply.
5. Some faced the problem ofwater supply.
6. Some citizens said that they don't have the environment clean.
7. Sanitation problemswas also faced.
8. The main difficulty was that they had the roadways under developed hence the problem of traffic was on a huge account.
9. In all the citizens are now happy by staying in their cities from past many years and they had experienced a lot of changes in their respective city.
10. Many projects like better transportation facilities, Malls, bus stops, roadways, healthcare facilities, Hospitals, Schools, Colleges are now developed in these cities which had made their city a developed city.
11. They have many projects coming in their respective city which will make their city a unforgettable Smart city

Weblography

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WEB MINING IN E-COMMERCE WEBSITES

Prof. Shikha Singh, *Phd. Research Scholar, JJTU, Rajasthan*

Abstract

WEB *is now an important part of people's life.it is now a part of any successful businesses. Selling products or services online plays an important role in the success of businesses that have a physical presence, like a retail business. Therefore, it is important to have a successful website to serve as a sales and marketing tool.One of the effective used technologies for that purpose is data mining. Data mining is the process of extracting interesting patterns from large databases. Web mining is the usage of data mining techniques to extract interesting information from webdata. This paper presents the three components of web mining: web usage mining, web structure mining and web content mining and the main data preprocessing tasks for web usage mining.*

Keywords*: E-Commerce, Data mining, Web mining*

1. E-Commerce and Retail websites In e-commerce instead of having your business in a limited physical place and a limited sector of customers whoare usually near to your store or business, you have it in the web. In e-commerce websites you have the ability tosell, advertise, and introduce different kinds of services and products in the web. E-commerce websites have theadvantage of reaching a large number of customers regardless of distance and time limitations. Furthermore, anadvantage of e-commerce over traditional businesses is the faster speed and the lower expenses for both e-commerce website owners and customers in completing customers transactions and orders.Because of the above advantages of e-commerce over traditional businesses, a lot of industries in different fieldssuch as retailing, banking, medical services, transportation, communication, and education are establishing theirbusiness in the web. But creating a successful online business can be a very difficult and costly task if not takinginto account e-commerce website design principles, web engineering techniques, and what e-commerce is supposedto do for the online business. Understanding the requirements of both e-commerce website owner and customer isan important aspect in building a successful e-commerce website. There is a lot of information need to be definedbefore starting building the e-commerce website such as identifying business goals and how the website will targetthose goals, if the website supposed to attract new customers or increase the sales of current customers, identify ifthe proposed website will increase the business overall profit, and identify the most suitable tools and techniquesneed to be used/followed in order to target those requirements. Retail websites aim to inspire, reflect a good image about the business and improve it online. An important factorin having a successful retail website is to know your competitors. On one hand, by identifying their points of strongness and trying to get benefit of them by improving those strong points and adopting powerful strategies. On the other hand, identifying weak points of your competitors and avoid them is a good practice in having asuccessful retail website.

2.Web Mining The usage of data mining to maintain websites and improve their functionality is an important field of study. Patterns extracted from applying data mining techniques on web data can be used to maintain websites byimproving their usability through simplifying user navigation and information accessibility and improving thecontent and the structure of the website in a way that meets the requirements of both website owner and user whichwill consequently increase the overall profit of the business.Web mining is the use of data mining techniques to extract useful patterns from the web. Those extracted patternsare used to improve the structure of websites, improve the availability of the information in the websites and theway those pieces of information are introduced to the website user, and to improve data retrieval and the quality of automaticsearch of information resources available in the web. Web mining can be divided into three major categories: webusage mining, web content mining, and web structure mining.

2.1 Web Usage Mining Web usage mining or web log mining is the process of applying data mining techniques to web log data in order toextract useful information from user access patterns. Web usage mining tries to make sense of the data generatedby the web user's sessions or behaviors. The web usage data includes data from web server access log, proxy server logs, browser logs, user profiles, registration data, cookies, and user queries. Web usage mining tries to predict userbehavior while user interacts with the web and learns user navigation patterns. The learned knowledge could thenbe used for different applications such as website personalization, business intelligence, usage characterization andadaptive websites. There are two approaches for web usage mining process:

- Mapping the log data into relational tables before an adopted data mining techniques is performed.
- Using the log data directly by utilizing special preprocessing techniques.

The Web usage mining process consists of three phases: data preprocessing, pattern discovery, and pattern analysis.Pattern discovery is that set of methods, algorithms, and techniques used to extract patterns from web log file.Severaltechniques are used for pattern discovery such as statistical analysis, clustering, classification, and sequentialpattern mining. After patterns are discovered they need to be analyzed in order to determine interesting andimportant patterns, besides the removal of redundant patterns. Pattern analysis has several different forms such asknowledge query mechanism, visualization techniques, and loading usage data into a data cube in order to perform
Online Analytical Processing OLAP operations.

A web server log file records users transactions in the web. Usually, the web log file contains information about theuser IP address, the requested page, time of request, the volume of the requested page, its referrer, and other usefulinformation.

2.2 Web Content Mining Web content mining is mining the data that a web page contains. The contents of most of the web pages are texts,graphics, tables, data blocks, and data records. A lot of research has been done to cover different web contentmining issues for the purpose of improving the contents of the web pages, improving the way they are introduced tothe website user, improving the quality of search results, and extracting interesting web page contents.Web content mining is still a large field. It contains:

- structured data extraction;
- sentiment classification, analysis and summarization of consumer reviews;
- information integration and schema matching;
- knowledge synthesis;
- template detection and page segmentation;A large amount of information on the Web is contained in regularly structured data objects which are data recordsretrieved from databases. Such Web data records are important because they often present the essential informationof their host pages, lists of products and services.Two of the most used methods for extracting structured data are *wrapper induction* (given a set of manually labeledpages, a machine learning method is applied to learn extraction rules or patterns) and *automatic extraction* (given aset of positive pages or given only a single page with multiple data records, generate extraction patterns).

2.3 Web Structure Mining Links pointing to a document indicate the popularity of the document, whereas links coming out of a documentindicate the richness or the variety of topics covered in the document. Web structure mining describes theorganization of the content of the web where structure is defined by "hyperlinks between pages and HTMLformatting commands within a page".Understanding the relationship between contents and the structure of the website is useful to keep an overviewabout websites. One of the approach allows the comparison of web page contents with the information implicitlydefined by the structure of the website. In this way, it can be indicated whether a page fits in the content of its linkstructure, and identify topics which span over several connected web pages. Thus supporting web designers bycomparing their intentions with the actual structure and content of the web page. Other studies deal with the webpage as a collection of blocks or segments. By partition the web page into blocks and by extracting the page-toblock,block-to-page relationship from link structure and page layout analysis, a semantic graph can be constructedover the WWW such that each node exactly represents a single semantic topic, this graph can better describe thesemantic structure of the web. Structure within a web page can be used to help machines understand pages.

3.Web Usage Mining Techniques In this section, we discuss data mining techniques that are mostly used in web usage mining such as statisticalanalysis techniques, clustering, classification, association rule mining, and sequential pattern mining.Statistical analysis is the process of applying statistical techniques on web log file to describe sessions, and usernavigation such as viewing the time and length of a navigational path. Statistical prediction can also be used topredict when some page or document would be accessed from now. It makes use of the N-grammer model which assumes that when a user is browsing a given page, the last N pages browsed affect the probability of the next pageto be visited.Clustering is the process of partitioning a given population of events or items into sets of similar elements. In webusage mining there are two main interesting clusters to be discovered: usage clusters, and pages clusters. Classification is dividing an existing set of events or transactions into another predefined sets or classes based onsome characteristics. In web usage mining, classification is used to group users into predefined groups with respectto their navigation patterns in order to develop profiles of users belonging to a particularclass or category.Association rules mining techniques are used in web usage mining to find pages that are often viewed together, orto show which pages tend to be visited within the same user session. Association rule mining facilitates the identification of related pages or navigation patterns which can be used in web personalization.In sequential pattern mining a sequence of actions or events is determined with respect to time or other sequences.In web usage mining, sequential pattern mining could be used to predict user's future visit behaviors. Some web usage mining and analysis tools use sequential pattern mining to extract interesting patterns such as Speed Tracer and Webminer.

4. Data Preprocessing for Web Usage Mining Before data mining techniques are applied to web log file data, several preprocessing steps should be done in orderto make web log file data ready to be mined. Web log file contains data about requested URL, time and date ofrequest, method used, etc. The main data preprocessing tasks are data cleaning and *filtering, path completion, useridentification, session identification,* and *session formatting.Data cleaning* is the first preprocessing task. It involves the removal or elimination of irrelevant items that are notimportant for any type of web log analysis.Elimination of irrelevant items can be accomplished by checking thesuffix of the URL name to filter out requests for graphics, sound, and video hits in order to concentrate on datarepresenting actual page hits. For example, all log entries with filename suffixes such as gif, jpeg, and jpg can beremoved. Another cleaning process is removing log entries generated by web agents like web spiders, indexers, orlink checkers. *Path completion* preprocessing task fills in page references that are missing due to local browsing caching such asusing the back button available in the browser to go back to previously visited page.*User identification* is a complex step due to the existence of local caches, corporate firewalls, and proxy servers. Ifthe agent log shows a change in browser software, or operating system, a reasonable assumption to make is thateach different IP address in the log file represent a different user. Another assumption can be made is that consecutive accesses from the same host during a certain time interval come from the same user. In some cases it is difficult to identify users, for example, when two users use the same machine and the same browser with the same IP address and look at the same set of pages.*Session identification.* A user session is defined as "the set of pages visited by the same user within the duration of one particular visit to a website". Session identification is dividing the page accesses of each user into individual sessions. One approach to identify user sessions, is by using a timeout threshold that is if the time between pages requests exceeds a certain limit, then the user is starting a new session. Another approach assumes that consecutive accesses within the same time period belong to the same session.*Session Formatting.*A final preprocessing step could be formatting the sessions or transactions for the type of the data mining technique, or algorithm to be applied. The Webminer, for example, formats the cleaned web server log data in order to apply either association rule mining or sequential pattern mining.

5. Discussion From previous, it is clear that making changes and adaptations to websites with the help of extracted patterns using different data mining techniques is very effective, but doing that in the maintenance phase can be costly and time consuming and suffers from different drawbacks. In commercial companies which are companies that sell different kinds of products on the web, in order to make an effective maintenance to their websites, the companies have to wait some period of time, for example one year, in order to have a representative log file that reflects customers transactions in their website and can give a clear image about their behavior. This amount of time is considered very big especially for the companies in which the time factor plays an important role in their success strategy, and have many competitors who can attract their customers if they have no solid marketing strategies in order to keep their customers as loyal as possible.On the other hand, most businesses gather information about internet customers through online questionnaires. But, many customers choose not to complete these questionnaires because of the amount of time required to complete them as well as a lack of a clear motivation to complete them. Several companies use cookies to follow customers through the WWW, but cookies are sometimes detected and disabled by web browsers and do not provide much insight into customer preferences. This is because customers are feeling that their profiles are not secure so anumber of customers choose to give incorrect information about themself.Furthermore, in web mining different strategies are implemented to identify sessions such as defining a timet hreshold that a session should not exceed or assuming that consecutive accesses within the same time period belong to the same session. In some cases, it is difficult to identify users, for example, when two users use the same machine and the same browser with the same IP address and look at the same set of pages. We can conclude from that, that those session and user identification strategies cannot give a guarantee that those identified users and sessions represent the actual users and sessions.The problem of building an ill-structured website for some company/business can be solved by applying datamining techniques such as clustering, classification, and association rule mining on the contents of the information system of the company/business. Then, from the extracted patterns, the information needs to be considered in the website building process is gained and invested during the design phase in the process of website design which yields to a better designed retail website. The main advantage of this method is that it reduces maintenance timeand budgetary costs for websites if they are built taking into account the extracted interesting patterns from the transactions database of the company/business. This approach also permits the sales manager to focus on the core business and gives him a better view about his products and customers which is very helpful in designing retail websites. In conclusion, patterns extracted from applying web mining techniques on web data can be used to maintain websites by improving their usability through simplifying user navigation and information accessibility and improving the content and the structure of the website in a way that meets the requirements of both website owner and user which will consequently increase the overall profit of the business.

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ROLE OF TRAINING IN DEVELOPING EMPLOYEES RETENTION IN BANKING SECTOR

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Abstract

The most efficient machinery in the world will not produce at an optimum level unless the people who operates the machinery know how to make it perform as its best and importantly , are motivated to make their equipment produce efficiently. To extract the best out of people, therefore, the organization must provide a healthy work climate when they can exploit their talents fully while realizing goals assigned to them. or the purpose of the career planning and development the study is conducted to find out whether the devising point of the organizational system of career movement and growth opportunities from the point of an individual in employment to the point of retirement. Hence the organization should chart different paths which should be made known to all employees. As every employee desires for a bright future, these career paths do provide the hope to achieve success. Simple random sampling method was used in the present study to collect the data.

Key Terms: *Career, Planning, development, organisation, human resource, physical resource.*

Introduction: Among the various factors of production, which are used in an organization, human resources are the most important. This is because the efficient use of physical resources land, machinery and materials ultimately depend on how the human factor is put to good use on various operations. The most efficient machinery in the world will not produce at an optimum level unless the people who operates the machinery know how to make it perform as its best and importantly , are motivated to make their equipment produce efficiently. To extract the best out of people, therefore, the organization must provide a healthy work climate when they can exploit their talents fully while realizing goals assigned to them.

Objectives of the study: To find out whether the HRM practice in the organization leads to satisfied and productive employee through Career and Development. To find out the existing employee morale, motivation, skills to job requirements provision of promotional opportunities existing in the organisation.

Scope of the Study: The present study has a scope to find out the employees career planning and development realizin g that the employees have definite career needs. Hence the banks and organization should chart different paths which should be made known to all employees. As every employee desires for a bright future, these career paths do provide the hope to achieve success.

Research Methodology: The research design chosen is descriptive as the study reveals the state of facts existing. Descriptive research studies are those studies which are connected with describing the characteristics of a particular individual, or a group. The study is concerned with specific prediction, with narration of facts and characteristics concerning an individual , group or situation. Observation and Interviews are conducted for 20 employees working in banks including government banks. Sampling technique used Simple random sampling method was used in the present study to collect the data. The objective of the study has been accomplished with the help of primary data collected from 20 employees. The selected samples are met in person and the required data have been collected with interview and discussion. Secondary Data Secondary data was collected from the company records, magazines, websites etc.

Limitation of the Study:

1. The conclusions arrived are applicable only to the bank industry and generlisation to industries of similar situations may not be realistic.
2. Some respondents hesitated to give the actual situation.

Review of literature: According to HOKKAIDO University, Pucik（1988）and Hanada（1987）find that in more innovative companies, even if individuals do fall behind in their careers relative to their cohort, they still do have a chance to catch up. Hanada notes this trend in more innovative companies, but finds this was not the case for more traditional companies Koike（1988), however, focuses his career related research on training and skill formation. This research examines how companies train their white collar employees and focuses on different types of training activities and the role of promotions. Employees were slowly promoted through the company hierarchy with most of their training focusing on job rotation and on-the-job training. Other research relating to career development has taken a more quantitative approach using methods such as Rosenbaum's career tree model. Research by Wakabayashi and Graen(1984), Pucik（1985), Hanada1981，and Wakabayashi et(1988） on career development focuses on promotion patterns and factors leading to successful and faster promotions.

TABLE-1 Table showing classification of respondent's opinion to look for alternative jobs :

Opinion	No. of respondents	% of respondents
Strongly agree	4	20 %
Agree	9	45 %
Neutral	4	20 %
Disagree	3	15 %
Total	20	100 %

Findings of the study:

1. Findings v Majority of the of the respondents are Agree to look for another job.
2. Majority of the of the respondents are dissatisfied towards present salary, increment and promotional polices.

Recommendations: The main objective of the study is to improve the employee personal skills/ work skills to update the latest skill existing in the market. The employee retention is an important situation that should exist in all organization. The organization should give importance to improve their personal skill by updating the modern techniques. The HR department should give counseling to each employees who was not fully cooperative to achieve the organization goals.

Conclusion: An organization is nothing without human resources. The modern manager has to bring employees into contact with organization in such a way the objectives of both group are achieved. The study concludes that almost all the respondents are satisfied towards the opportunities provided by the organization to enhance the employees career development and skill development.

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SCHOOL-BASED BANK SAVINGS PROGRAMS: BRINGING FINANCIAL EDUCATION TO STUDENTS

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Abstract

National banks may establishschool-based bank savings programs as financial literacy and educational initiativesto help students learn about the importance of saving. It is a cooperative effort between bankersand school faculty members, administrators, school board members, school districtofficials, and, in some cases, government partners.Banks also enterinto cooperative efforts with state, county, and city governments to provide school-basedand non-school-based youth savings programs.School-based savings programsare linked to a diverse array of financial education efforts, including personal financialmanagement and banking operations. In western countries banks set up a program on school premises, bankerscollaborate with school administrators and teachers and in some cases with governmentpartners, who share an interest in administering savings and financial education programsto students.

Keywords: *Banks, school students, Financial literacy, savings.*

Introduction: There continues to be a movement by educators, non profit organizations, and government at all levels to empower financial decision-making by individuals and families through every stage of life. This movement recognizes that childhood is a critical time to begin financial education. Young adults must make important financial decisions. Banks can play an important part in helping to create school-based savingsprograms across the country.The purpose ofthe interagency guidance is to encourage financial institutions to develop and implementprograms that expand the financial capability of youth and build opportunities forfinancial inclusion of more families. Even maharashtra state education department have introduced the concept of opening accounts in the name of the student from primary to upper primary classes.

Literature Review: Research shows that financially capable young people are more likely to become financially secure adults. The goal of expanding young people's financial capability is founded on research and practice. For example, one study has shown that children with savings accounts are seven times more likely to attend college. Finally, research from the Programme for International Student Assessment's financial literacy survey found that students in the United States who have a bank account are more knowledgeable about basic financial literacy concepts than those who do not have an account. This "Kindergarten to College" program which is taking place in western countries includes a classroom-based, culturally anddevelopmentally appropriate financial education curriculum tied to the account. Studentsare automatically enrolled in the program and provided an opening deposit of $50 fromthe city. An additional $50 deposit is provided to the accounts of children who are eligiblefor free and reduced-price lunches. Parents may add to these accounts as the children age.

Objectives:

-to help students understand the value of saving byopening and managing savings accounts.

- to provide financial educationin an age-appropriate manner.

- to provide important moneymanagement lessons, such as developing budgets, savings, investing for college and thefuture, and using credit wisely.

- help develop students' work ethics well as give students experience working with banks to open and make deposits insavings accounts.

Research Methodology:

1) A survey made by researcher served as a basic source of primary data. The data was collected from five banks where in a questionnaire was provided to the bank manager.
2) This paper is also based on secondary data collected from a thematic review of the literature on School based bank saving program, various sources like website, circular and journal of Government and education department.

What Is a School-Based Bank Savings Program? Banks collaborate with elementary, middle, and high school administrators and teachers, and in some cases with government, non profit, or private entity partners, to administer youth savings programs. These programs are often structured as in-school bank programs that offer students basic savings accounts. These savings accounts generally have verylow minimum balance requirements and low or no monthly maintenance fees. Financial education is delivered to students through presentations, special classes,or part of a civics or mathematics curriculum in coordination with the school facultyand administration. These financial education activities are also madeavailable to faculty, school administrative staff members, parents of students, and othercommunity

Why Are School-Based Bank Savings Programs of Interest to Banks?

Banks implement school-based bank savings programs to

• provide financial education and expand community service in their markets.
• enhance communication with community residents.
• identify potential bank employees.
• elevate visibility and reputation and promote goodwill.

Scope for further Research: Vast potential lies in knowing the basic needs of the bankers who will be using this concept in a way that it is truly helpful to the student community. Further research can be conducted in order to align the needs of both the bankers and the student parent community.

Conclusion: Banks establish school-based bank savings programs as financial education initiatives tohelp students understand the importance of saving. Students are offered an interest-bearing savings account with no monthly fees, no minimum balance, and no minimum opening deposit amount. The accounts are jointly owned by the student and a parent or responsible party. Accounts can be opened online, or parents can fill out an application and return it to them savings program at the school. These programs help banks to expandtheir community service and broaden their customer base. Enhancing communicationswith community residents may help provide banks with a greater understanding of localcredit needs and market information. Bank management should monitor the quality andappropriateness of these programs to assess any possible reputation risk. Banks that setup school-based bank savings programs targeted to low- to moderate-income individuals also may receive CRA consideration for their activities. In short in this digital world the students get an understanding of cashless transaction and a sense of pride. The researcher concluded based on the survey conducted that in Mumbai most of the banks have initiated the student based scheme only at the bank level and not at school level as it is a matter of policy making.

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A STUDY ON IMPACT OF DEMONETIZATION ON E-COMMERCE INDUSTRY

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Abstract

Demonetization is known as an act of stripping a currency unit of its status as legal tender. It is also known as withdrawing of a particular form of currency from circulation. Government pulled the old Rs.500 and Rs.1000 notes out of circulation. While the unprecedented action taken by the Prime Minister Narendra Modi has impacted e-commerce and at the same times it has an impact on the consumers and their shopping behaviour through online shopping. Thus, it becomes necessary to Study the Impact of Demonetization on E-Commerce Industry. The main aim of the study is to understand and analyse the effect of demonetization on consumer's frequency of buying product and consumer's mode of payment through online shopping post demonetization.

***Keywords**: E-Commerce, Consumer, Demonetization.*

INTRODUCTION: In the context of Indian Economy, presently, Demonetization means that Reserve Bank of India has withdrawn the old 500rupee notes and 1000rupee notes from use and circulation as an official mode of payment. Technically, Demonetization is the act in which the currency unit is stripped of its status as legal tender. It occurs whenever there is a change of national currency. The current form of money is pulled from circulation in the market and retired which will be further replaced with new notes. It is interesting to note that no American or European nation has ever conducted a demonetisation operation of this scale. What is even more peculiar is that no country in the world, except for India, has gone for partial demonetisation, where only selected currency notes and coins are demonetised. In 2016, with a little warning, India's Prime Minister Narendra Modi announced to demonetize the 500 and 1000rupee notes, the two biggest denominations in its currency system. These notes accounted for 86% of the country's circulating cash and 68% of all transactions in the country are cash-based. The citizens of India had until the end of the year to deposit or exchange them for newly introduced 2000rupee and 500rupee notes.

This policy was initiated:

- To discourage tax evasion on undeclared income
- To curb terror financing
- To promote a cashless economy
- To eliminate the circulation of fake currency from the count

The move is largely seen as an impetus to PM Modi's ambitious project "Digital India" which seeks to integrate a digital infrastructure into the present system. One of the goals of this project is to largely eliminate cash-based transactions by encouraging digital payment systems. The Reserve Bank of India has thrown its full weight behind a cashless economy by creating a new digital payment interface called Unified Payments Interface.

REVIEW OF LITERATURE

PESSIMISTIC VIEW: With the ban on Rs.500 and Rs.1000 currency notes, E-Commerce players were forced to stop "Cash on Delivery" payment modes on their site. Certain E-Commerce players like Flipkart and Snapdeal made restrictions on the order purchase value to below Rs.1000. While Amazon India stopped COD orders, a day after the big announcement. These E-Commerce companies also stopped receiving old denomination notes of Rs.500 and Rs.1000 notes and paid more emphasis on other means of digital payments. With a fall in COD orders, demonetization has led to jump in digital payment options for making online transactions. This drop was further attributed to the curb on black money due to this demonetization move which was used to make the purchase through various E-Commerce stores. "About 40% of COD was driven by black money according to a study done two years ago." It has been further projected that "This will have a serious impact on GMV as not all COD will move digital payments. In the rural economy where consumers are still not that comfortable with digital money yet and who are still adapting to the internet will stay away." With the scarcity of cash, it is definitely taking a toll on the conversion rate optimization practices and E-Commerce sales are eventually dropping. "This new system will lead more people to use traditional banking services like credit cards, which is a key factor in allowing consumers to buy online but it will take time for this kind societal change to take effect, so our forecast numbers for the out years are still lower than previous estimates," E-Marketer director Monica Peart said in the report on 9 November. Like many other sectors, the ongoing cash crunch has impacted online shopping. To tackle growing cancellations, leading e-commerce companies had to limit or suspend payments through cash-on-delivery, the most preferred choice of payment, Mint reported on 10 November. As per a research done on November 16, by the Forrester Research, "The cash on delivery share will come down and it will force customers to make payments online. Initially, in the next 1-2 months it may hurt E-Commerce companies."

OPTIMISTIC VIEW: Demonetization has given a boost to digital payments and is encouraging people to shop online more. This will definitely provide an opportunity for E-Commerce players to push customers towards adopting cashless instruments and recalibrate business models to incentivize cashless instruments. Amazon India chief Amit Agarwal, however, said, "There was an initial setback, but we are back to normal... to our triple digit growth rates", he said in an interview in Delhi on Monday. "We see (a) 10X growth in users paying by debit or credit cards (at the time of delivery) through the POS (point of sale machines) available with the delivery person." The CEOs of Flipkart, Snapdeal & Shopclues in a meeting on November 17 said that, "Demonetization is good for E-Commerce Industry". While most of those present at the event admitted that demonetization of Rs.500 and Rs.1000 notes had adversely impacted their cash-on-delivery (COD) business, they argued that the drive will push consumers to opt for digital transactions, which was the industry's ultimate goal. Flipkart's rival Snapdeal's co-founder and CEO Kunal Bahl dubbed the move by the Central government as "ground breaking". "COD returns are a big pain point from economics' and logistics' perspective this will significantly get mitigated going forward as more and more payments move to digital," Bahl said on November 17.This research has been taken place to understand and analyse the effect of demonetization on consumer's frequency of buying product and consumer's mode of payment through online shopping post demonetization. The area covered under this research is Dahisar-(W).

OBJECTIVES OF THE STUDY

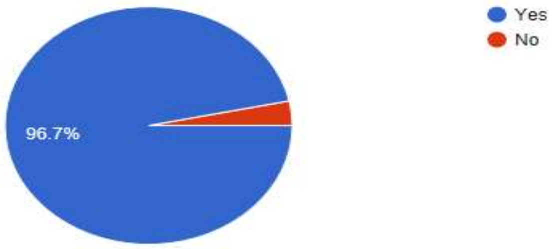
1. To analyse the frequency of customer buying product through online shopping before and after demonetization.
2. To analyse the impact of demonetization on customers mode of payment while buying products through online shopping.

RESEARCH METHODOLOGY: This research is based upon both Primary and Secondary data. Primary data has been directly collected from the consumers by communicating with them through Questionnaire and Interview method. The secondary data is collected from internet sources and journals.

Sampling: The information was collected through a structured questionnaire consisting of 10 questions. A total of 30 respondents were interviewed during the survey. The study was conducted in Dahisar-(W), Mumbai. **ANALYSIS AND INTERPRETATION OF DATA**

Table -1 Table showing percentage of respondents who have shopped online.

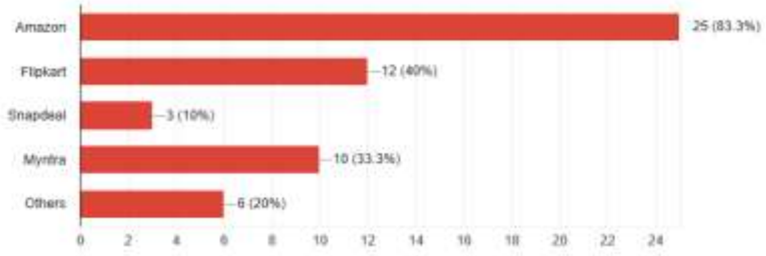
Particulars	No. of Respondents	Percentage
Yes	29	96.7%
No	1	3.3%
Total	**30**	**100%**



Interpretation: The above analysis shows that majority i.e. 96.7% of the respondents have shopped online and 3.3% have never shopped online.

Table-2 Table showing consumer's preference for online shopping websites for buying products.

Particulars	No. of Respondents	Percentage
Amazon	25	83.3%
Flipkart	12	40%
Snapdeal	3	10%
Myntra	10	33.3%
Others	6	20%

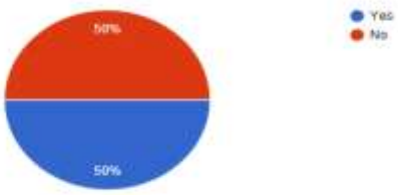


Note – During the survey the respondents could choose one or more options for the above question.

Interpretation: The above analysis shows that majority i.e. 83.3% of the respondents prefer Amazon for buying products through online shopping whereas, 40% prefer Flipkart, 33.3% prefer Myntra, 10% prefer Snapdeal and 20% prefer other websites.

Table-3 Table showing frequency of consumers buying product through online shopping more than retail shops before demonetization.

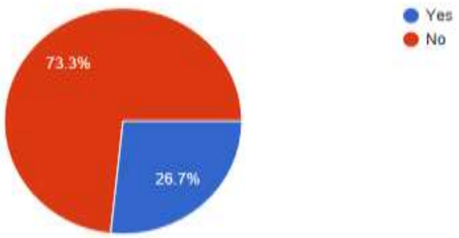
Particulars	No. of Respondents	Percentage
Yes	15	50%
No	15	50%
Total	**30**	**100%**



Interpretation: The above analysis shows that 50% of consumers bought products through online shopping more than retail shops before demonetization and the rest 50% of consumers did not buy products through online shopping more than retail shops.

Table-4 Table showing frequency of consumers buying product through online shopping more than retail shops after demonetisation.

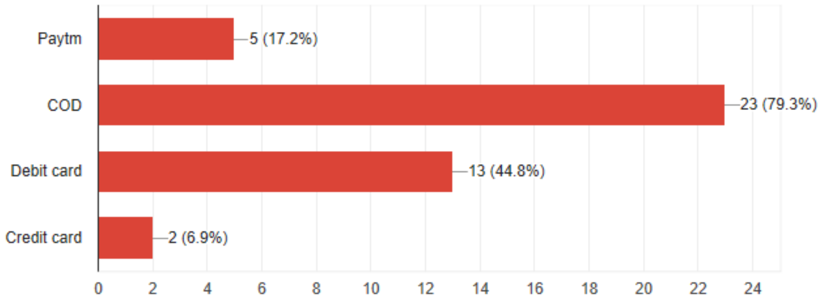
Particulars	No. of Respondents	Percentage
Yes	8	26.7%
No	22	73.3%
Total	**30**	**100%**



Interpretation: The above analysis shows that 26.7% of consumers bought products through online shopping more than retail shops after demonetization and the rest 73.3% of consumers did not buy products through online shopping more than retail shops.

Table-5 Table showing preferred mode of payment used by the customer for buying products through online shopping before demonetization.

Particulars	No. of Respondents	Percentage
Paytm	5	17.2%
COD	23	79.3%
Debit card	13	44.8%
Credit card	2	6.9%

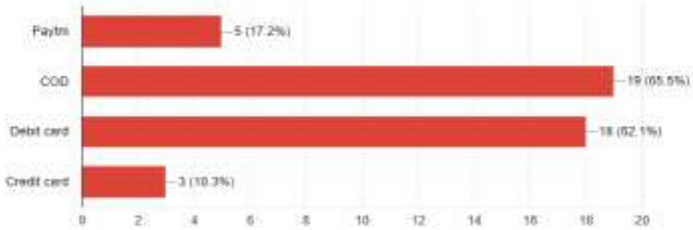


Note -During the survey the respondentscould choose one or more options for the above question.

Interpretation: The analysis shows that pre-demonetization 17.2% consumers preferred to use Paytmfor
the purchase of products from online shopping websites,79.3 % consumers preferred to use Cash on Delivery (COD)option, 44.8% people used Debit card and 6.9% people used Credit card.

Table-6 Table showing preferred mode of payment used by the customer for buying products through online shopping after demonetization.

Particulars	No. of Respondents	Percentage
Paytm	5	17.2%
COD	19	65.5%
Debit card	18	62.1%
Credit card	3	10.3%



Note -During the survey the respondents could choose one or more options for the above question.

Interpretation: The analysis shows that post-demonetization 17.2% consumers preferred to use Paytm for the purchase of products from online shopping websites, 65.5 % consumers preferred to use Cash on Delivery (COD)option, 62.1% people used Debit card and 10.3% people used Credit card.

MAJOR FINDINGS

- It has been found that the frequency of consumers buying products through online shopping is 50% which is same as retail shops before demonetization.
- Post Demonetization frequency of consumers buying products online shopping has drastically fell from 50% to 26.7%.
- Pre Demonetisation consumers have mostly used Cash on Delivery option (79.3%) and Debit card (44.8%) to make the payment for buying products through online shopping whereas, Paytm (17.2%) and Credit card (6.9%) were used by few.
- Post Demonetisation there is a reduction in the use of Cash on Delivery option (65.5%). Post Demonetisation consumers have started using more of Debit card (62.1%) than Paytm (17.2%) as the mode of payment

CONCLUSION: Thus, from the above study it is pretty clear that Demonetization has impacted the E-Commerce Industry. Due to demonetization frequency of consumers buying products through online shopping has drastically fell mainly due to scarcity of money, lack of awareness among people on usage of digital wallets, etc. It can also be seen that Pre Demonetisation people used to make their payment by Cash on Delivery(COD) option but Post Demonetization consumers have increased using Debit cards as a preferred mode of payment which is a good sign indicating that people are switching to digital payments.

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