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From Seers to Shelves: The Case of Patanjali
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श्रेयान्ब्रह्मयाद्याज्ञा ज्ञानयज्ञः परन्तप
सर्व कर्माखिलं पार्थ ज्ञाने परिसमाप्यते॥

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accumulation of all sumptous substances.
As all acts finally conclude into wisdom."

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I nstitute of Foreign Trade and Management (IFTM) was a pioneering
attempt to provide the world class professional education in the brass city
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READERS' VIEW

Vimarsh takes a broad outlook of business and management and promotes contributions from various other related disciplines, which contribute significantly to the problems mulled over by managers and researchers. Being a customary reader from the preceding issues, I can state that Vimarsh aims to present the latest thinking and research on major management topics in the form of articles that meet high academic quality standards.

Wishing the Editorial Team much success for issues yet to come, I look forward to every issue beating the previous one.

Arpita Sharma

Assistant Professor

Symbiosis Institute of Business Management

SYMBIOSIS International University, Pune

Vimarsh is the flagship journal in management of IFTM University, which provides a forum to explicate empirical as well as theoretical insights and developments. It publishes accessible articles about important issues and comprehensive examinations of the latest advances in various management and business fields. Each volume features critical research reviews written by leading management scholars which helps the readers to develop new insights into the literature.

Wishing the editorial board a great success in future and hope to have better issues ahead.

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From the Editorial Board

Dear Reader,

We take this opportunity to showcase before you the opening issue of the seventh volume of Vimarsh.

With this issue Vimarsh attempts to document and spark a debate on the research focused on imminent management issues. It is committed to the brisk propagation of high quality research papers on how progress in the field of management can capitalize on the scenario ahead. We hope that the research featured here sets up many new milestones.

We would like to show our appreciation to all the contributing authors for providing such a rich variety of exceptional research articles on a broad array of stimulating topics. Working with our knowledgeable Editorial Review Board members, we assure you of a rapid, robust and fair peer-review process. We are a work in progress actively seeking fresh contributions from campus and corporate. We remain open to the pathways of this never ending journey for the discovery of novel ideas. Hence, we wish to encourage more contributions from the academic community and industry executives to ensure a continued success of the journal.

To finish with, we convey genuine appreciation to I'M Advertisers, for the successful publishing of this issue.

We wrap up at this stage with an assurance of many more awe-inspiring issues in the future.

In case of any queries or comments, it would be a pleasure to hear from you at vimarsh@iftmuniversity.ac.in.

Happy Reading...!!!

Regards...

The Vimarsh Team

A Study on Risk Factor Analysis of Farm lending by public and private sector banks in India

Prof. K.S.Rao*
Phani Kumar Katuri**

ABSTRACT

Liberalization of the financial markets and financial reforms should be applauded for a gradual increase in financial intermediation, this doesn't seem to have had a significant impact on farmers as seen from the agricultural sector's performance in terms of farm yields over the years; a situation which has seriously constrained the agricultural sectors' development and to a large extent floundered attempts to alleviate poverty in the country.

The attitudes that characterize bank lending to farmers and the information gap between banks and farmers complicates credit accessibility by farmers thereby curtailing their productivity and profitability. Theoretical approaches given by previous studies don't seem to agree on what issues determine commercial bank lending in general, let alone lending to the farmers. Andhra Pradesh(AP),India studies risk factors determining profitability in the formal banking sector which does not effectively lend to farmers.

Other studies on micro finance institutions focused on credit rationing and its influence on the operations of small and micro enterprises. This study will help to address the factors that contribute to lending to farmers by commercial banks in the state of Andhra Pradesh.

Key words: Liberalization, financial market, agricultural sector, poverty, farmers, banking sector

INTRODUCTION

A key development challenge over decades has been to increase agricultural productivity. One constraint facing farmers is lack of access to formal sector credit to enable them to take advantage of economic opportunities to increase their level of output, hence move out of poverty. Small scale farmers and the rural poor have been concerned about the design of various financial sector policies. Agricultural finance is dedicated to financing agricultural related activities such as; input supply, production, processing and distribution. Small loans to rural farmers, rarely justify the costs of legal action to call in a claim on land and then liquidate it. Similarly,

movable assets such as livestock and equipment are also at fairly high risk without proof of ownership and insurance cover. Consequently, access to credit by farmers is subject to lending terms of the banks and information asymmetry. Proper information sharing between banks and the borrowers can reduce risks and increase access to credit by allowing banks screen borrowers at a lower cost. However, due to lack of accurate information about individuals or firms and their financial background, the banking industry finds it hard to select a good client.

Lending activities of various commercial banks depend on the willingness to extend much credit to

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some sector of the economy. Credit is the largest single income-earning asset in the portfolio of most commercial banks. Banks are, therefore, forced to spend enormous resources to estimate, monitor and manage credit. This greatly affects the lending behavior of commercial banks due to the large resources involved.

The commercial banks have to be careful with their lending prices as they cannot charge loan rates that are too low or too high. Too low rates might lead to a level of interest income that may not be enough to cover the cost of deposits, general expenses and the losses from some borrowers that do not pay. Charging too high loan rates in the other hand may create adverse selection issues and moral hazard problems for borrowers.

Access to financial services can improve commercialization of small agriculture land holder and contribute to poverty alleviation among rural communities. The paper asserts that more than seventy percent of India's population is rural and experiences high incidence of poverty. A major portion, if not all, of these rural folks depend on agriculture for their livelihood. Therefore, there is need to tailor financial products for these people to stimulate higher productivity in their farming activities as a channel of achieving pro-poor growth and poverty reduction. However, formal financial markets fail in the provision of funding to the majority of smallholder farmers in developing countries (World Bank 2009).

This descriptive survey is meant to enhance a systematic description that is as accurate, as valid and as reliable as possible realigning the responses on determinants of lending to farmers by commercial banks in AP. The variables to be studied include lending to farmers policy, credit to farmers' standards, credit terms for farmers' and recollection policy of loans to farmers.

SAMPLE

All commercial banks in Andhra Pradesh, India were eligible in the study. However a sample of 20 randomly selected banks was targeted to participate in this study. The head of marketing department per bank was the respondent to the self-administered questionnaire that was used for this study. This is because the marketing department has information concerning the issues related to factors determining

the performance of their financial products in the market.

DATA COLLECTION

The primary data had collected using self administered questionnaires. One questionnaire was sent to each of the marketing managers of the 20 commercial banks in the sample. The questionnaire to be used is in Appendix- A covers general information, Appendices B, C & D represent the risk factor analysis relating to lending policy, assessment of returns and profitability aspects of lending. Also, a 5-point Likert scale was used to analyze the risk factors of commercial banks lending to farmers. Close ended questions enabled the research study to collect quantitative data while open-ended questions were used to collect qualitative data.

DATA ANALYSIS

The primary data collected using the questionnaires were compiled, sorted, edited, classified, coded, and analyzed using a computerized data analysis package SPSS. The mean and standard deviation were used to analyze which of the factors were identified per variable as least or most influenced lending decisions towards farmers. Pearson's correlation analysis was used to determine the existence and significance of the relationship between lending policy, credit standards to farmers, return on credit to farmers and risk on credit to Farmers.

Bank lending was measured by amount of the loan borrowed by farmers, interest rates, credit limits and loan period in terms of the percentage rate charged by commercial banks, the amount of the loan borrowed by farmers and months a borrower should have repaid the loan respectively. Credit standards to farmers were measured based on the loan size, collateral requirements by banks and location of the borrowers from the bank.

The regression model below was used to determine the relationship between lending policy to farmers and credit to farmers' standards, bank profitability and Farmers' loan recollection policy. Lending to farmers policy is the dependent variable while the independent variables are credit standards, credit terms and collection policy. Each of the variables

Y, X_1, X_2, X_3 , and will be the average of the respondent per bank.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where:

Y = Lending to Farmers

X_1 = Credit standards to Farmers

X_2 = Return on credit to farmers

X_3 = Risk on credit to Farmers

β_0 = Intercept Term

$\beta_1, \beta_2, \beta_3$ = Sensitivity of Lending to farmers to the independent variables

e = The error term

The R-test at 95% confidence level was used to measure the significance of the constants of regression, $\beta_0, \beta_1, \beta_2$ and β_3 . The significance of the whole regression was tested using the F-test at 95% confidence level. The strength of the level to which the three independent variables x_1, x_2 and x_3 explain the variation in lending was assessed using the coefficient of determination, and the Adjusted R^2 .

LENDING TO FARMERS BY COMMERCIAL BANKS

Commercial banks are the most important savings, mobilization and financial resource allocation institutions. These roles make them an important part of economic growth and development. In performing this role, commercial banks can mobilize financial resources and efficiently allocate them to productive investments. Irrespective of the economic policies of a country, commercial banks are interested in lending to numerous customers bearing in mind profitability, liquidity and solvency. However, the decisions to lend by commercial banks are influenced by a lot of factors. These factors include: the prevailing interest rates, the volume of deposits, the level of their domestic and foreign investment, their liquidity ratio, prestige and public recognition.

The agricultural sector in any country plays an important role in its economic growth and development through the contributions made to wealth creation, employment, food production, and income generation. Many farmers in Andhra Pradesh, however, still find it difficult when it comes to accessing credit from the formal financial institutions. This has hampered their desire to increase performance through modern farming.

This inaccessibility to formal financing has led to poor growth and sometimes decline in agricultural productivity over the past years. It is therefore expected that there is a positive relationship between lending to the private sector and lending by commercial banks. However, the lending is highly dependent on factors like profitability, liquidity, solvency, information asymmetry and availability of money for lending. With respect to farmers, lending to farmers policy is expected to be affected by the standard of credit to farmers, the credit terms for farmers and the recollection policy of loans to farmers.

THE FARMING SECTOR

Access to credit is a major and complicated challenge in the agriculture sector. Commercial banks have the need to link their future profitably with the growth of lending to the agricultural segment. This means making agricultural lending a significant integral part of each of the commercial banks' growth strategy. Banks fail to appreciate the potential of the agriculture sector and the problems and realities related to production, products, and the political and economic organization of the value chain (USAID, 2012).

The agricultural sector is composed mainly of primary producers of small size, where the risks are greatest because primary producers have the least negotiating ability among the players in their industry making them mere price takers. The sector is also characterized by inefficient use of resources like water, fertilizer and land leading to low productivity. This sector is susceptible to environmental shocks like changes in weather patterns. Production is too small leading to inability to achieve economies of scale.

The agriculture sector is very capital intensive with low return on investment necessitating long term financing. The sector is a highly knowledge-based sector; rural based with slowly improving poor physical infrastructure. Even the introduction of new technology and new techniques is slow, coupled with lack of attention to financial literacy and to good business management. Its adaptation to changing market conditions on the supply side is also slow (Beck, Demirgüç, Laeven, & Maksimovic, 2006).

COMMERCIAL BANKS IN ANDHRA PRADESH AND THE FARMING SECTOR

Nott (2003) argued that adequate and timely information enables lenders to set loan terms accordingly. Failure to exchange information between the lender and the borrower brings about information asymmetry between the two parties, and to address this problem, lenders limit their credit facilities to sectors which they perceive to possess limited information asymmetry.

In addition, to compensate for the high information asymmetry risks, lenders tend to charge higher interest rates, and lend for a short time period, hence constraining credit affordability. They also ask for collateral, limit the loan amount, and in most cases banks are located in urban centres which further limit credit accessibility by rural farmers. Become inefficient and forces market participants to take risks because it is assumed that information that is provided is always inadequate and untimely. In financial markets, information asymmetry arises between borrowers and lenders because borrowers generally know more about their projects than lenders do.

Information asymmetry entails absence of accurate, timely, complete, quantity and quality information about the borrowers' ability and willingness to pay back the loan (Nott, 2003). According to Kenneth & Adrian (1997), the bank's decision to lend is often complicated by inadequate and inaccurate information. In the quest to screen out borrowers likely to default, banks need information. Although banks demand that borrowers disclose all the required information, borrowers often conceal information that is likely to work in their favour. It is therefore necessary to develop methods of evaluating the volume and quality of financial and non financial information given by farmers.

In Andhra Pradesh the expansion and improvement of the productivity of the agriculture sector is one of the key drivers of the realization of the development goal. Farming is believed to be a generator of employment directly and indirectly while ensuring food security for AP. However, there seems to be financing issues in this sector especially with relating to formal financing. To reorganize financing to this key sector, it is important that the factors that

determine lending to this sector in AP are discovered to be used as input when designing financing policy. The agricultural sector in AP plays an important role in the economic growth and development. Farmers in AP however, still experience difficulties in accessing credit from the formal financial institutions to increase their performance through modern farming. The study therefore, seeks to find out the determinants of lending to farmers by commercial banks in AP and how they affect the performance of farmers

RESEARCH OBJECTIVE

This study aimed at establishing the determinants of lending to farmers by commercial banks in the state of Andhra Pradesh.

This study is significant to scholars and future researchers, banks, government policy makers and investors in the agricultural sector. Lending to any sector in the economy is a dynamic issue dependent upon the environment within which it is done. The research gap identified in this study concerning the determinants of lending to this sector by commercial banks. This study will fill that research gap and enable future researchers to get the latest information that will be used to enhance their arguments concerning lending to the farming sector. Banks will benefit from this study since it will provide objective and well researched findings concerning determinants that drive lending to the farming sector across the commercial banking sector. The main drivers will then be used as input to tailor products that will meet the specific needs of the farmers while ensuring the bottom line for the commercial bankers.

The policy makers of the government will find this study useful as an input into their policy designing, commercialization of the agricultural sector as a food production sector in addition to being a provider of employment. To come up with accurately made policies, this study will provide accurate and most recent findings concerning determinants of lending by commercial banks to this sector. These findings can then be used in designing of policies to stimulate performance of the agricultural sector.

Due to this study, the policies designed will target and be beneficial to the investors in the farming sectors. Putting in place policies to improve the sector is a critical factor that directly touches the investors in the farming sector-be they farmers or otherwise. In that respect, this study will be of significance to farmers and other investors in the agricultural sector.

AP is an agriculture based state and there is a lot of interest in the financing activities in this vital sector. The explanation provided by theory that there is connection between lending policy and issues like credit standards; assessment of return on credit; and assessment of risk on credit to farm may not be universal to all sector or countries. This research was, therefore, designed to find out the determinants of lending to farmers by commercial banks in Andhra Pradesh. The study was conducted through a survey using self administered structured questionnaires delivered to commercial banks in AP. The respondents were required to provide an assessment of their lending policy to farmers vis-a-vis their policies on Credit Standards with related to Farmers; their Assessment of Return on Credit to Farmers; and their assessment of Risk on Credit to Farmers. The results indicate that banks give out loans to finance farming activities and that farmers have reliable sources of income that enable them to pay back their loans in time. The results show that Credit Standards to Farmers negatively affected lending to farmers. The research has also found that Return on Credit to Farmers negatively affected lending policy to farmers. Further, Risk on Credit to Farmers negatively affected lending to farmers. This indicates that Credit Standards related to Farmers; Return on Credit to Farmers; and Risk on Credit to Farmers reduces the amounts provided to the farmers in AP. Factors such as the location of the financial institution, loan size extended to farmers, interest rates charged on credit to farmers affect lending to farmers by commercial banks.

Based on the findings and the conclusions of this study, it is recommended that policies should be designed to ensure that the income from farmers in AP is stabilized to mitigate risk and improve their creditworthiness. Policies should also put in place to ensure that farmers have skills to manage their finances properly to maintain excellent financial records with banks. Policies should be put in place to help banks relax their credit qualification for farmers

so as to stimulate the demand and supply of credit.

RISK FACTOR ANALYSIS OF FARM LENDING:

Information Quality:

According to O'Brien (1996), information is the degree of information content, form and time characteristics that give it value to specific individuals and users. It is observed that information asymmetry can be measured on the basis of information quality and quantity, where quantity is the adequacy of information according to the perception of the receiver. The quality of information is determined by the level of its completeness, correctness, and the impartiality with which it is collected. The more accurate it is the higher the quality. Information is of good quality if it is reliable, timely, complete, fair and consistent, and presented in clear and simple terms, relevant and understandable to its users.

Information quality can be enhanced through increased information disclosure. Increased information disclosure has an incentive of reducing information search costs and promotes informed lending practice. Information sharing avails more information to parties involved which further reduces on the risks of information asymmetry. In developed countries, credit bureaus collect information from various sources and provide such records as the repayment behaviours of individuals and firms for a variety of uses, thereby reducing information asymmetries so lenders are able to screen borrowers at a lower cost. As a result, lenders can make credit decisions faster and reduce risks, hence increasing lending. The quality and quantity of information desired by banks in most developing countries is still low and hence complicating sound decision making.

Credit Accessibility

Credit was defined by Ellis (1992) as a sum of money in favour of the person to who control over it is transferred, and who undertakes to pay it back. According to Penchansky & Thomas (1981) access refers to entry into or use of something or to the factors influencing entry or use. Thus, access to credit may be referred to as, the right to obtain or make use of or take advantage of borrowed money from a lender. In a developing country context,

credit is an important instrument for improving and enhancing the productivity capacity of any sector. It also facilitates the flow of savings from surplus units to deficit units (Diagne et al, 2000).

The outcome of this is that only a small proportion of the total number of rural households and farmers credit from the formal sector. Again among those with access to the institutional credit, a very small group particularly the rich and the elites in the village receive a very large share of the total amount disbursed. Consequently, the overwhelmingly constrained borrowers are forced to turn to the rather expensive and unreliable informal credit sources (Okurut et al, 2004).

Loan Size

When dealing with credit applications lenders are never sure about the extent to which applicants are honest in the information they provide. Lending presents credit risks that have to be mitigated either by giving reduced loan amounts that the lender feels the borrower can pay, or by totally rejecting the application. Even with granted applications the lender has to reduce default risks. Necessary precautions are put in place in case the borrower fails to pay (Akoten et al, 2006).

Location of Financial Institution

Location of Financial institutions and physical distance of farm households from formal lending institutions is one of the factors that influence access to formal credit. According to Hussien (2007) farm households are discouraged to borrow from bank if it is located farther. This is because both temporal and monetary costs of transaction, especially transportation costs, increase with lender-borrower distance which raises the effective cost of borrowing at otherwise relatively lower interest rate in the sector.

Similarly, few financial institutions are willing to grant loan applications from distantly located borrowers because of the high processing and monitoring costs. Long distances increase transaction costs which complicate the loan monitoring process and consequently creating moral hazard risks.

Constraints of Credit Accessibility to Farmers

Diagne et al (2000) stated that a household is said to have access to a type of credit if at least one of its

members has a strictly positive credit limit for that type of credit. Similarly, a household is classified as credit constrained for a type of credit if at least one of its members is constrained for that type of credit. Access to financial services by farmers is normally seen as one of the constraints limiting their benefits from credit facilities. However, in most cases the access problem, especially among formal financial institutions, is one created by the institutions mainly through their lending policies. This is manifested in the form of prescribed minimum loan amounts, complicated application procedures and restrictions on credit for specific purposes.

Okurut (2006) noted that the rural poor farmers are excluded from the formal financial system due to the fact that formal banks are either unwilling or unable to serve farmers. These banks face high risk and transaction costs, difficulties in enforcing contracts, and penalization by the central bank for lending to enterprises that lack traditional collateral. They also lack reliable information on borrowers, appropriate information systems and instruments for managing risk.

DATA ANALYSIS RESULTS AND DISCUSSION

This study presents the data and provides the interpretation of the findings from the analysis. It presents data analysis ending with the determination of whether the ending is related to credit standards with relating to farmers, assessment of return on credit to farmers and assessment of risk on credit to farmers. The data is presented and then analyzed in comparison with other similar studies.

ANALYSIS OF DATA & PRESENTATION OF FINDINGS

Response Rate and Data Reliability

The study targeted a sample of 20 banks that offered lending to farmers. As given in Table 1.1 the Cronbach's Alpha for Lending Policy to Farmers was 0.76 which is acceptable. That of Credit Standards with related to Farmers was 0.80 which is good. The assessment of Return on Credit to Farmers was 0.84 which is good. The Cronbach's Alpha for Assessment of Risk on Credit to Farmers 0.81 which is good. The data collected can therefore provide reliable findings.

Table 1.1
Reliability Analysis

Variable	Cronbach's Alpha	Remarks
Lending policy to farmers	0.76	Acceptable
Credit standards with relating to farmers	0.80	Good
Assessment of return on credit to farmers	0.84	Good
Assessment of Risk on credit farmers	0.81	Good

Source: Research findings

DESCRIPTIVE STATISTICS

Table 1.2 shows the summary statistics of the responses to the variables in the questionnaire. The mean for Lending Policy to Farmers (LPF) was 2.85 ($\sigma = 0.68$) indicating a slight disagreement with the lending policy. The maximum level of agreement with lending policy was 3.30 while the lowest score was 1.80. The mean score for Credit Standards relating to Farmers (CSRF) was 3.10 ($\sigma = 0.76$) indicating slight agreement that lending policy was affected by Credit Standards relating to Farmers. The highest mean score was 2.00 indicating a disagreement that Credit Standards relating to Farmers affected lending policy to farmers while the highest mean score was 4.40 which was an agreement that Credit Standards relating to Farmers affected the lending policy to farmers.

The highest mean score for Assessment of Return on Credit to Farmers (ARCF) was 3.00 ($\sigma = 0.90$) indicating neutrality to the effect of the Return on Credit to Farmers on the lending policy. The highest mean score was 4.40 which indicated an agreement that Return on Credit to Farmers affected the lending policy. The lowest mean score was 1.60 which was a disagreement that Return on Credit to Farmers affected lending policy. The mean score for Assessment of Risk on Credit to Farmers (ACR) was 3.37 ($\sigma = 0.61$) indicating a slight agreement that Risk on Credit to Farmers affected lending policy. The highest mean score was 4.70 which was a strong agreement that Risk on Credit to Farmers affected lending policy. The lowest mean score was 2.80 which was a disagreement that Risk on Credit to Farmers affected lending policy to farmers.

Table 1.2
Descriptive Statistics:

Variable	Mean	Minimum	Maximum	Std. Dev
LPF	2.85	1.8	3.8	0.68
CSRF	3.1	2	4.4	0.76
ARCF	3	1.6	4.4	0.9
ACR	3.37	2.8	4.7	0.61

Source: Research findings

CORRELATION AND REGRESSION ANALYSIS

Table 1.3 presents the correlation between the four variables in this study. The values used in the regression were the averages of the responses per variable per bank. Based on the analysis shown there was strong positive correlation between Assessment of Return on Credit to Farmers and Assessment of Risk on Credit to Farmers, $r(11) = 0.57$. Weak positive correlation was found between Credit Standards

relating to Farmers and Assessment of Return on Credit to Farmers, $r(11) = 0.01$ and between Credit Standards relating to Farmers and Assessment of Risk on Credit to Farmers, $r(11) = 0.02$. Weak negative correlation was found: between Lending Policy to Farmers and Credit Standards with Relating to Farmers, $r(11) = -0.39$; between Lending Policy to Farmers and Assessment of Return on Credit to Farmers, $r(11) = -0.16$; and between Lending Policy to Farmers and Assessment of Risk on Credit to Farmers, $r(11) = -0.27$.

Table 1.3
Reliability Analysis

Variable	Mean	Minimum	Maximum	Std. Dev
LPF	2.85	1.8	3.8	0.68
CSRF	3.1	2	4.4	0.76
ARCF	3	1.6	4.4	0.9
ACR	3.37	2.8	4.7	0.61

Source: Research findings

(Note: LPF= Lending Policy to Farmers; CSRF= Credit Standards relating to Farmers; ARCF = Assessment of Return on Credit to Farmers; ACR= Assessment of Risk on Credit to Farmers)

Table 1.4 presents the regression analysis of the variables with Lending Policy to Farmers as the dependent variable with Credit Standards relating to Farmers; Assessment of Return on Credit to Farmers; and Assessment of Risk on Credit to Farmers as the independent variables. The constant term of the regression was 4.90 indicating that there was strong activity in lending to farmers independent of Credit Standards relating to Farmers; Assessment of Return on Credit to Farmers; and Assessment of Risk on Credit to Farmers. The constant term was statistically significant, $(t\text{-ratio}) = 3.16, < 0.05$. The coefficient of Credit Standards with Relating to Farmers was -0.34 indicating that Credit Standards with Relating to Farmers negatively affected lending to farmers.

However, the coefficient was not statistically significant, $t(11) = -1.15, P > 0.05$.

The coefficient of Assessment of Return on Credit to Farmers was -0.006 indicating that Assessment of Return on Credit to Farmers negatively affected lending policy to farmers. However the coefficient was not statistically significant, $(p\text{-value}) = -0.02, > 0.05$. The coefficient of Assessment of Risk on Credit to Farmers was -0.29 indicating that Assessment of Risk on Credit to Farmers negatively affected lending to farmers. The coefficient was not statistically significant, $(ACR\text{-}t) = -0.64, > 0.05$. the whole regression was not statistically significant and the variation in Lending Policy to Farmers was poorly explained by the variation in Credit Standards with relating to Farmers; Assessment of Return on Credit to Farmers; and Assessment of Risk on Credit to Farmers, $F(3, 7) = 0.66, P > 0.05, R^2 = 0.22$.

Table 1.4
Regression Analysis

Variable	Coefficient	Std. Error	t-ratio	p-Value
Constant	4.9	1.55	3.16	0.02
CSRF	-0.34	0.30	-1.15	0.29
ARCF	-0.006	0.31	-0.02	0.98
ACR	-0.29	0.45	-0.64	0.54
F(3,7)	0.66			
P-Value (F)	0.078			
R-Squared	0.22			
Adjusted R-squared	-0.11			

Source: Research findings

The regression model was found to take the form:
Lending policy to farmers = $4.90 - 0.34(\text{CSRF}) - 0.006(\text{ARCF}) - 0.29(\text{ACR})$

INTERPRETATION OF THE FINDINGS

This study has found three main results. It has found that Credit Standards Credit Standards relating to Farmers negatively affected lending to farmers. The research has also found that Assessment of Return on Credit to Farmers negatively affected lending policy to farmers. Further, Assessment of Risk on Credit to Farmers negatively affected lending to farmers. This indicates that Credit Standards relating to Farmers; Assessment of Return on Credit to Farmers; and Assessment of Risk on Credit to Farmers reduces the amounts provided to the farmers in AP

These findings also agree with those of Pafula (2003) investigated loan portfolio performance of the commercial banks and micro-financial intermediaries. This comparative study investigated the relationship between loan policies and administration and loan portfolio performance. Results of the study revealed a strong relationship between loan policies and loan administration.

There was a negative relationship between loan appraisal and follow up action, strong negative relationship between loan appraisal and business sector outreach and positive relationship between follow up actions and business sector outreach. This indicated that there was a connection between lending and loan recovery policies.

FINDINGS AND SUGGESTIONS

- Policies should be put in place to help banks relax their credit qualification for farmers. Just like any other financial institution, banks want to ensure that their funds are safe as they lend to farmers. However, much as the farmers require funding, the risk control measures and their desire for profitability is stifling the lending. This recommendation is based on the finding that tighter controls concerning credit standards to farmers, assessment of return on credit to farmers, and assessment of risk on credit to farmers tended to limit lending.
- Commercial banks should adopt special arrangements for lending to farmers other than lumping them together with other borrowers. Because many farmers are not accessing credit,

the credit terms given to farmers such as loan period, credit limits and interest rates need to be designed and determined according to the specific nature of the farming business, so as to enable them repay the loans as per schedule.

- Commercial banks should supply vital information such as monitoring fees, insurance fees, and penalty for early loan repayment to farmers since such costs affect their profitability. Credit beneficiaries also need to be well informed on their obligations, particularly in loan repayment needs.

CONCLUSION

From the findings of this research the following conclusions are drawn. Banks give out loans to farmers and farmers have sources of income that enable them to pay for the loan and the accruing interests.

The banks rely on the financial statements of applicants, but did not strictly push for collateral for the loans given to farmers. The profitability of banks together depended on their view farmers as profitable customers with high returns, however, the location of the banks within easy reach to facilitate borrowing by farmers were not a serious factor driving profitability. The loan recollection policy of the banks was determined by their consideration that credit to farmers is riskier than credit to other borrowers.

It is also concluded that standards adopted before lending to farmers has a great effect on the amount of credit demanded and supplied. High credit standards relating to farmers reduce lending to farmers. Strict rules in the assessment of return on credit to farmers negatively also reduce the amount of credit given to farmers. Further, higher standards of assessment of risk on credit to farmers reduce lending to farmers. This indicates that credit standards with relating to farmers; assessment of return on credit to farmers; and assessment of risk on credit to farmers reduces the amounts provided to the farmers in AP.

QUESTIONNAIRE

You are requested to complete this questionnaire as honestly as possible. The data obtained from this questionnaire will be used solely for academic purpose and will be handled with utmost confidentiality.

Appendix A: GENERAL INFORMATION

Complete this section by filling in the spaces

1. Name of the bank and address
2. Name of the officer contacted and his designation
3. How many branches do you have in AP

Appendix B

(a) To what extent do you agree that the following contribute to your lending policy to farmers

(1- Strongly disagree 2- Disagree, 3- Neutral 4 – Agree 5 – Strongly agree)

I Lending policy to Farmers		1	2	3	4	5
1	The bank gives out loans to finance farming activities				V	
2	The interest rate charged on loans restrict farmers from borrowing		V			
3	The interest rate charged by the bank is always favorable to farmers					V
4	Farmers are able to take loans at any interest rate	V				
5	The bank always offers farmers better interest rate				V	
6	The interest rate discourages farmers from applying for loans	V				
7	The loan repayment period that the bank gives enables farmers to accumulate assets		V			
8	The loan repayment period enables borrowers to pay all their pending loans in time	V				
9	The loan repayment period given by the bank is always favorable to farming activities		V			
10	Farmers have reliable source of income that enables them to pay back their loans in time		V			

Appendix C

(b) To what extent does your bank rely on the factors below when issuing credit to farmers? Tick the number that best describes your opinion.

(1- Not at all 2- To a Small Extent 3- Not Sure 4 - To a High Extent 5-Always)

III Assessment of return on credit to farmers		1	2	3	4	5
1	Does your bank view farmers as profitable customers with high returns			V		
2	Does your bank consider its profitability when issuing credit to farmers	V				
3	Our bank's branches are located within easy reach to facilitate borrowing by farmers					V
4	The bank offers tailor made products to farmers despite the profitability every year				V	
5	Your banks expansion strategy targets rural areas so as to improve accessibility of credit by farmers				V	
6	This bank usually lends to farmers the exact amount of the loan that they require for farming business relatingless of the bank's profitability			V		
7	The interest rates charged by this bank to farmers depend on the banks profitability	V				
8	The bank's profitability limits the number of farmers who can access agricultural loans to many farmers	V				
9	Our bank's branches are located within easy reach to facilitate borrowing by farmers					V

Appendix D

(c) To what extent does your bank depend on profitability when extending credit to farmers? Tick the number that best describes your opinion.

(1- Never 2- Sometimes 3- Frequently 4 – Very Frequently 5 – Always)

III Credit standards with relating to farmers		1	2	3	4	5
1	The financial statements of applicants		V			
2	Character/ Integrity of the farmer				V	
3	Capacity of the farmer to pay		V			
4	The bank accepts the type of collateral that farmers provide for bank loans		V			
5	Capital/contribution	V				
6	Cash flow statements of the farmer	V				
7	Only selected farmers can always access loans from this bank	V				
8	The interest rates charged by this bank prevents farmers from acquiring loans					
9	Farmers pay back their pending loans in time with all the interest			V		

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Customer Satisfaction Towards Online Banking in Gwalior District

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ABSTRACT

Customer satisfaction has become a key element of business strategy. Today customer's usage of internet banking is growing at rapid pace across geographies. Internet banking acts as a vehicle that delivers your banking needs to right where you are. This paper aims to study the customer satisfaction towards online banking in Gwalior. The present study was done by taking responses from the customers using online banking. The data was collected by restructured questionnaire and results were calculated and analyzed by SPSS software version 16.0. The factor analysis was also used in the present study.

Key words: customer satisfaction, online banking, customers.

INTRODUCTION

In today's competitive environment relationship marketing is critical to banking corporate success. Banking is a customer oriented services industry and Indian banks have started realizing that business depends on client service and satisfaction of the customer. This is compelling them to improve customer service and build relationships with customers. Customer satisfaction is seen as a key performance indicator within business. Customer satisfaction increasingly has become a key element of business strategy. This paper presents the overall customer satisfaction towards online banking in Gwalior. Internet banking has brought about 360 degree change in the entire banking industry. In the four decades since its inception, the internet has driven dramatic change. It has enabled flows of information, including entertainment, news and financial and academic material. It has brought people closer together by enabling various forms of interpersonal communication, notably e-mail, instant messaging, video conferencing, and social networking. And it has allowed consumers to purchase virtually anything at any time.

As per the report given by Internet and Mobile Association of India (IAMAI) and IMRB, India is the world's second largest internet user base in 2015 overtaken the US. India has 402 million internet users by Dec. 2015 and its user base has increased by 49% compared to last year. China has the largest internet user base, with over 600 million users. Mobile is responsible for a large part of the internet growth. 94% of users access the internet through their mobile phones in urban India. However, 64% also use the desktop or laptop to access the internet. While internet in India took more than a decade to move from 10 million to 100 million and 3 years from 100 million to 200 million, it took only a year to move from 300 to 400 million users. Clearly, internet is mainstream in India today. Mumbai and Delhi had the most number of internet users. Smaller metros, like Jaipur, Surat and Lucknow have seen a growth of 60% in monthly active user base (users who have accessed internet at least once a month) over last year.

Online banking is filled with amazing innovations. Today, consumer's usage of online banking is growing at a rapid pace across geographies. Online

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banking is an electronic payment system that enables customers of a financial institution to conduct financial transactions on a website operated by the institution. Online banking is also referred as internet banking, e-banking, virtual banking and by other terms. The term online became popular in 1980's. Online services started in New York in 1981 when four major banks (Citi bank, Chase Manhattan, Chemical and Manufacturers Hanover) made home banking access available to their customers. Reflecting the growing popularity of internet banking, the total number of user registrations for internet banking in India at present stands at over 2 million, however these findings need to be adjusted for dormant users and multiple accounts (a user having accounts with more than one bank). Online banking has become so widespread today that many banks only operate on the internet-effectively decreasing overhead costs to offer more competitive rates and enjoy higher profit margins.

REVIEW OF LITERATURE

Nupur (2010) studied the impact of variables of e-banking on customer satisfaction in Bangladesh. The study showed that five service quality dimensions namely, Reliability, Responsiveness, Assurance, Empathy and Tangibles are the core service quality dimensions for customers' satisfaction in e-banking. The study also explored that Reliability, Responsiveness and Assurance have more contribution to satisfy the customers of e-banking. The variables have been tested in e-banking to explore the relationship between service quality and the customer satisfaction. And from the statistical analysis it was observed that there is a relation between customer satisfaction in E-banking and Reliability, Responsiveness, Assurance, Empathy and Tangibles.

Bena (2010) conducted the survey and pointed out; there are some of the problems that surface in the effort of evaluating customer's satisfaction. First the dimensions of satisfaction have to be established according to the area of business and the company's specifics. Secondly customers tend to state they are satisfied or check an undecided response. And the scale for future surveys to be conducted within the bank should eliminate the middle way answers, obliging the customer to adopt a positive or negative position.

Kumbhar (2011) found that all 13 variables were found significant and were good predictors of overall satisfaction in E-banking. This study was conducted in Satara city of Maharashtra. However, a result of principle component analysis indicates that, Perceived value, Brand Perception, Cost effectiveness, Easy to use, convenience, Problem handling, Security/Assurance and Responsiveness are important factors in customer satisfaction in e-banking it explains 48.30% of variance. Survey was conducted using Likert based questionnaire and after final survey reliability of constructs was tested using Cronbach's alpha test using SPSS.

Sharma (2012) analyzed level of satisfaction of Punjab and Haryana rural customers from seventeen variables related to the qualitative aspects of e-banking. It has found from the study that rural customers are quite satisfied with the provisions of updating, Accuracy of transactions and Convenience. However, they were not found to be much satisfied with the regulatory mechanism and compensation given in case of fraudulent attack by unauthorized person or error by bank. The study has found 72% feel uncomfortable in transacting with e-banking because of language problem. Most of them were also not aware of multi-language provision in e-banking.

Alam (2012) observed that dissatisfaction is one of important reasons for the lesser participation in internet banking. The researcher has identified the important factors that will affect the customer satisfaction of internet banking users. The factors identified by the researcher are Efficiency, Reliability, Service delivery system, Expectation of a customer, Secrecy of a customer and Tangibles have positive influence on customer satisfaction of internet banking users. Efficiency and the Service delivery system had negative influence on customer satisfaction.

Doddaraju (2013) measured satisfaction level of customers in Anantapur district of Andhra Pradesh. The main focus was done on whether private banks bring more satisfaction than public sector banks. And there is significant variance between occupation and the satisfaction of customers towards public and private sector banks. Majority of the respondents having account in public sector banks are satisfied with their services.

Shahriari (2014) identified the most essential components such as: service quality, trust, reputation, habit, satisfaction. The data was analyzed using SPSS software. The Kolmogorov-Smirnov test and the Spearman Correlation test were used to analyze the data. In this research it was examined that effective factors such as service quality, trust, habit, satisfaction on loyalty of e-banking which all of the variables have a significant relation with customer loyalty

Kumarand Mekala(2015) analyzed the satisfaction level of the customer towards net banking services Coimbatore city of India. And find out that 90% of the respondents are satisfied with safety and security of net banking services and 65% of the respondents are using private sector banks for net banking services.

OBJECTIVES OF THE STUDY

The main objective of the present study was to know the customer satisfaction towards online banking in Gwalior District.

OTHER OBJECTIVES

To study the efficiency of e-banking
To analyze the awareness of e-banking
To analyze the convenience of e-banking

Hypothesis of the study:

Ho1: There is no significant relation between efficiency and e-banking.

Ho2: There is no relation between awareness and e-banking.

Ho3: There is no relation between convenience and e-banking.

Research methodology:

The study: The study is empirical in nature and is aimed to find out the customer satisfaction towards online banking.

Sample design

Population: The population for the study was all the online banking users.

Sample size: Online banking users of Gwalior were taken as sample for the study. About 150 questionnaires were distributed and the sample size for the present study was 111.

Sampling Technique: Non probability, purposive and convenience sampling technique was used to identify the respondents of the study.

Sample Element: online banking customers of Gwalior were the sample element of the study.

Approach for data collection:

Primary: Standardized questionnaire was developed to measure all the variables. The data was collected using Likert five point scales.

Secondary: secondary data was collected through internet and journals etc.

Tools to be used for data analysis:

- Reliability test has been applied to know the reliability of the questionnaire.
- Factor analysis has been applied to know the factors which are helpful for customer satisfaction.

OBSERVATIONS & RESULTS OF THE STUDY

Reliability Test

Reliability test for the variables were carried out by using SPSS software and the reliability test measures are given below:

Table 1: Reliability Statistics

Variables	Cronbach's Alpha	No. of Items
All Variables	.733	15

The Cronbach's Alpha value is .733 this value is more than to standard value of Cronbach's Alpha value .7, it mean my questionnaire has been reliable and provide us exact information as we want from data.

Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.615
Bartlett's Test of Sphericity	Approx. Chi-Square
	Df
	Sig.
	642.227
	105
	.000

The KMO and Bartlett test of Sphericity indicates that the data is suitable for factor analysis. The KMO measures the sampling adequacy should be greater than 0.5 for a satisfactory factor analysis to precede. Looking at the table above, the KMO measure is .615. From the same table, we can see that the Bartlett's test of sphericity is significant. That is, its associated probability is less than 0.05. In fact, it is actually .000. This means that the correlation matrix is not an identity matrix. The above facts indicate that the data collected on customer satisfaction towards online banking is suitable for factor analysis.

FACTOR ANALYSIS

Factor analysis was calculated by using SPSS software, in this firstly all the data of the items was loaded in the SPSS software. The factor analysis resulted is 5 factors. The detail about factors the factor name, variable number and convergence and their Eigen value is given in the table:

Table 3: Factor Analysis Statistics

Factor Name	Initial Eigen Value		Variables / Convergence	Loading
	Total	% of Variance		
Competence	4.133	27.550	(2) convenience (1) useful (7) easy transfer policy	.906 .622 .515
Awareness	2.153	14.351	(12) fearless (6) E- payments (5) informative	.761 .740 .722
Efficient	1.592	10.613	(11) Usability (4) User friendly (3) cost effective	.757 .741 .584
Process	1.276	8.508	(8) response (9) time lag	.843 .833
Less confidentiality	1.040	6.934	(14) lack of privacy (15) high charges (13) Unsatisfied	.736 .586 .477

DESCRIPTION OF FACTOR

1. **Competence:** This factor has emerged as the most important determinant of research with a total variance of 27.550. Major elements of this factor includes Convenience (.906), Useful (.622), and Easy transfer policy (.515).
2. **Awareness:** This factor has emerged as the second most important determinant of research with a total variance of 14.351. Major factor consisting this factor are Fearless (.761), E-payment (.740), and Informative (.722).
3. **Efficient:** This factor has a total variance of 10.613. Major element of this factor includes Usability (.757), User friendly (.741), and Cost effective (.584).
4. **Process:** This factor has a total variance 8.508. Major element of this factor includes slow response (.834), and Time lag (.833).
5. **Less confidentiality:** This factor has a total variance 6.934. Major element of this factor includes Lack of privacy (.736), High charges (.586), and Unsatisfied (.477).

FINDINGS AND SUGGESTIONS

Based on the study, the findings that can be made are:

1. Competence is the most important factor and plays an important role in customer's satisfaction towards online banking.
2. Awareness of the customers is important before conducting any transaction through online banking. Customers should be aware about banking services provided by their bank. Many customers are aware about online banking and think that it is very useful to them as it will give them flexibility to do transactions any time.
3. Efficiency has been increased with the utilization of technological advances, whether personal or business in nature. It has made things a lot easier including banking. Banking technology has evolved to the degree that consumers can gain instant access to their funds.
4. Sometimes the responses are becoming slower due to complex functions or due to general network loading or due to the modem speed, which results for waiting a long time for conducting a transaction.
5. Although there are factors which are contributing positively towards the development of online banking facilities and resulting in fuller utilization of digital banking, but some imprints of the same have also been observed, which are contributing to a factor named confidentiality. This factor comprised of variables like apprehensions towards lack of privacy, high charges, unsatisfied towards the services. These factors will pertain as the traditional methodologies still counterfeit the present scenario. Therefore, it can be observed that there are still beliefs towards the non-use of online banking. But the major factors which lead to the use of online banking are competence, awareness, efficiency and process.

From this study it can be suggested that further studies can be done on this topic in different areas and also by taking an increased number of respondents.

CONCLUSION

Online banking is one of the most popular ways for people to manage their money. Online banking is beneficial both to the bank and to the customer. This study is based on standardized questionnaire and was filled by online banking customers of Gwalior. We found five factors namely competence, awareness, efficient, process and less confidentiality. Most effective factor is competence which highly contributes for the customers' satisfaction. As per review it was found that most of the people do not use internet banking because they were afraid of using it. They were unwilling to use a public network, such as the internet, to view their financial information online and conduct financial transaction. The most important variable which is found from this study is fearless. From this study it has been found that now most of the people are using net banking with confidence and without any kind of fear.

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Total Variance Explained

Component	Initial	Extraction Sums of Squared Loadings					Rotation Sums of Squared Loadings		
	Eigenvalues								
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.133	27.550	27.550	4.133	27.550	27.550	2.596	17.306	17.306
2	2.153	14.351	41.901	2.153	14.351	41.901	2.308	15.386	32.692
3	1.592	10.613	52.514	1.592	10.613	52.514	1.964	13.092	45.783
4	1.276	8.508	61.022	1.276	8.508	61.022	1.809	12.061	57.845
5	1.040	6.934	67.956	1.040	6.934	67.956	1.517	10.111	67.956
6	.915	6.099	74.055						
7	.856	5.708	79.763						
8	.709	4.727	84.489						
9	.587	3.914	88.404						
10	.473	3.151	91.555						
11	.372	2.479	94.033						
12	.305	2.036	96.069						
13	.258	1.719	97.788						
14	.218	1.455	99.243						
15	.113	.757	100.000						

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.615
Bartlett's Test of Sphericity		Approx. Chi-Square
		642.227
		Df
		105
		Sig.
		.000

An Exploratory Study on Human Resource Development Practices In Regional Rural Banks With Special Reference to Prathama Bank in Moradabad District

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ABSTRACT

A well groomed, efficient and awarded employee in an organization is just like a close circuit hidden camera. This sentence speaks a lot about the significance of human resource development (HRD) and its increasing popularity and widely practiced character in industrial and business world. Indian Rural banking scenario is not an exception to this. Many challenging issues are being experienced in the process of HRD. Prominent among them are to include: (i) whether the expenses incurred on HRD practices and measures are to be treated as revenue expenditure or capital expenditure; (ii) how to retain the human resources once they are developed in the organization, and (iii) how to overcome the resistance shown by the employees for undergoing HRD process. Against these challenges, there is a belief among bank employees that they extend full co-operation to the HRD efforts and are ready to accept the change. Therefore, a research work entitled "Human Resource Development Practices In Regional Rural Banks With Special Reference To Prathama Bank In Moradabad Region" has been undertaken to know the perceptions of the bank employees in this field.

Key Words: HRD Practices, RRB,

INTRODUCTION

In the present day society, the need for well developed and qualified human resources is being felt very profoundly to successfully face cut-throat competition. This is because the modern commercial and industrial scenario is characterized by mega-sized organizations, global competitions, innovative and newer wide variety of goods and services and ever changing technology.

In this situation, the development of human resources has assumed more significance so as to understand and use ever – changing technology and to do the job effectively and efficiently, eventually leading to customer satisfaction and economically viable and commercially profitable organizational units. In other words, human resource development

(HRD) is not being considered as an end in itself but it is being practiced as a dynamic and creative means to achieve increased productivity and profitability, improved morale and career development of employees, better industrial relations, etc., to achieve the overall goals of organizations. Realizing these aspects, now-a-days, every business and industrial unit, in one form or the other, has started the process of human resource development. The awareness towards HRD is more specifically being spreading prominently in the mega sized organizations working at national and global levels and various innovative measures are being adopted and good amount of expenditure is also being incurred by them on HRD. Even the government has also realized the importance of HRD and has set up a separate Ministry of HRD in the Central Cabinet.

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In order to understand the true state of affairs, the researcher is eager to examine the perspectives of the employees, working in the organizations, regarding human resource development practices and measures, and to see as to what extent these practices and policies of HRD are being followed and as to what extent the prevailing claims for HRD are empirically true.

HRD is being practiced both in the public and private sectors for those organizations which are mega-sized, facing keen competition and producing innovative goods and services. Banking sector has also joined the race in HRD. Almost all the banks in our country have introduced HRD, in one way or other, to achieve the cherished goals of human resource development. Truly speaking, Indian banking has undergone many structural changes in terms of banking and non banking products, customer focus and segmentation, level playing fields within and outside the country; size of the organizations, etc., particularly during the last two decades.

Several researchers have undertaken researches in the field of HRD in general and some of them have also undertaken researches relating to HRD in banks. In this scenario, the researcher has become more curious to make a study of the HRD practices in Regional Rural banks so as to understand the real state of affairs.

LITERATURE REVIEW

The focal point of effective Human Resource Management (HRM) is on managing people within the employer-employee relationship.

As firms are entering into a more dynamic world of international business and as the globalization of world markets continue apace, comparative HRM issues appear to be gaining momentum. Both practitioners and academics in the field of HRM are increasingly aware of the need to examine and understand the HRM system suitable to different parts of the world. They are also interested in finding relevant HRM policies and practices for different types of organizations (for example, public/private sector, manufacturing/service sector) around the globe. HRM practices are central to improving the quality of services offered by the governments. In

the words of Pfeffer (1994), having good HRM is likely to generate much loyalty, commitment or willingness to expend extra effort for the organization's objectives. Moreover, Stone (1998) remarks that HRM is either part of the problem or part of the solution in gaining the productive contribution of people.

Five critical motivational issues in banking today are: performance management, equal pay demands for comparable worth, training and development, how to best motivate individuals, and providing competitive compensation beyond the bounds of one's own industry. Although the compensation area is a dominant concern, very few banks have developed effective compensation plans.

Stone (1998) pointed out that, as banks are considered a very critical industry of the economy, it is important that the workforces supporting these banks are well motivated and are effective in delivering the necessary work output. It includes the productive utilization of employees to achieve the organization's business objectives and satisfy individual employee needs.

According to McGraw (2003), HRM seeks to strategically combine the interests of an organization and its employees. Consequently, ineffective HRM can be a major barrier to employee satisfaction and organization success. HRM practices in the banking industry play a key role in attracting, motivating, rewarding, and retaining employees.

IN PUBLIC SECTOR

Indian Context: Kamal & Sengupta, (2009) while concluding his study on job satisfaction of banking employee, said that with the change of satisfaction determinants, level of job satisfaction also varies. It is also observed that as a person ages, his job satisfaction shows an increasing trend. With age, spiritualism of the person increases, but his alternatives for change decreases. Younger employees have more energy, more expectations and more options, and hence have lesser satisfaction with the job. Overall the job satisfaction of bank officers though is not very high but still satisfactory. But there is still considerable room for improvements.

Banu (2007) conducted study on HRD climate in public sector Cement Corporation in Tamil Nadu and found that sound HRD Climate is necessary for the success of the public sector undertakings.

Mufeed & Gurkoo, (2006) attempted to study whole gamut of HRD climate in universities and other equivalent higher level academic institutions by eliciting employee perceptions on HRD climate for which the University of Kashmir, Srinagar is selected as the main focal point of study.

International Context: Tahir Masood Quresh, Ayisha Akbar, Mohammad Aslam Khan, Rauf A. Sheikh and Syed Tahir Hijazi (2010) stated in the findings of this research, it can be derived that selection, training, compensation and employee participation are challenging practices in the banking sector of Pakistan. Delery and Doty (1996) in his study on analysis of HR practices and profitability in US banks examined the relationship between HR practices and profitability in a sample of banks in the US. In testing universalistic, contingency and configurational approaches to HRM, they found that, in general, HR practices were positively related to profitability.

The study by Nazrul Islam & Gour Chandra Saha, attempts to evaluate job satisfaction of bank officers in Bangladesh. It focuses on the relative importance of job satisfaction factors and their impacts on the overall job satisfaction of officers. It also investigates the impacts of bank type, work experience, age, and sex differences on the attitudes toward job Satisfaction. The result shows that salary, efficiency in work, fringe supervision, and co-worker relation are the most important factors contributing to job satisfaction. Private bank officers have higher levels of job satisfaction than those from public sectors as they enjoy better facilities and supportive work environment. Sex and age differences have relatively lower level of impact on it. The overall job satisfaction of the bank officers is at the positive level.

Srimannarayana M, (2007) conducted a study in local bank of Dubai and found that a good HRD climate was prevalent in the organization. He found out the differences in the perception of employees regarding the HRD climate on the basis of demographic variables.

PRIVATE SECTOR

Indian Context: Shikha N. Khera (2010) stated in the study that the more HR practices are in place, the more the bank employee are competent, satisfied with the existing HR practices, have sufficient role clarity in their job and have no intention to leave the organization. This study says that if the commercial banks in developing countries like India are able to successfully implement HR practices, they could achieve the maximum contribution of their employees, although, at present, the economic and political environment within which HR practices operate is not that conducive.

Arunima Shrivastava and Pooja Purang, (2009) examined the employee perceptions of job satisfaction in Indian banks and found that Private sector bank employees have expressed greater satisfaction with the growth factor of their jobs compared to public sector bank employees.

Bhardwaj & Mishra, (2002) examined the HRD climate in private sector organization. The result showed the existence of good HRD climate in the organization. The managers were satisfied with the HRD policies and practices of the organization. Private sector banks do not provide job security and would lay off their employees in cases of poor performance or adverse market conditions. Jha, Gupta & Yadav, (2008); Singh & Kohli, (2006); Thakur, (2007); Bajpai and Srivastava (2004) studied the satisfaction levels of employees of two public sector and two private sector banks in India. The results indicated that layoff threats, quick turnover, less welfare schemes, and less scope for vertical growth increased job dissatisfaction. In contrast, secure job environment, welfare policies, and job stability increased the degree of job satisfaction. In their study, Kumudha and Abraham (2008) compared 100 managers from 13 public and private sector banks and found that the programs related to self-development, information about job openings, opportunities to learn new skills and retirement preparation programs greatly influence the feelings of career satisfaction.

International Context: According to the study of Miceli, Jung, Near, & Greenberger, (1991) high pay and a differential wage structure is satisfying private bank employees, as they feel that their efforts and

abilities are recognized, evaluated, valued and aptly rewarded.

The main aim of the study by Kamal, Yasir and Hanif, Fawad, (2009) was to estimate the extent to which a banker's job satisfaction is determined by comparisons with other banks. Most of the Pakistani banks do not see employee participation as a driver of better employee performance; the study highlights that these variables are among the contributing variables towards Job satisfaction. Changes in organizational variables, such as pay scales, employee input in policy development, and work environment could be made in an effort to increase organizational commitment which in turn will lead to employee commitment and satisfaction.

OBJECTIVES OF THE STUDY

- i. To explore the role of Human Resource Development (HRD) Practices in rural banks. This study attempts to throw light on how HRD practices help the bank employers.
- ii. To analyze how the human resource development practices are linked with the organizational objectives.
- iii. To find out the level of recruitment, training and performance appraisal in the rural bank.
- iv. To analyze and evaluate the existing policies and practices of human resource development in regional rural banks in Moradabad Region.
- v. To offer useful suggestions in the light of findings for toning up of the Human Resource Management, particularly in the field of development, in regional rural banks in Moradabad.

NEED FOR PRESENT STUDY

Like other sectors, we rely heavily on human knowledge for success. People are the main resource that voluntary and non-profit organizations have for delivering services. Practicing how your organization will meet its current and future HR needs and how people will be supported and nurtured within your organization is critical for success. Organizations need to develop strategic HR goals that are aligned with the overall organizational vision, mission, values and objectives.

The proposed study is an attempt to explore those loopholes in the present structure and offer suggestions for overcoming the difficulties faced with regard to HR Practices in general and its effective utilization particularly in Regional Rural Banks.

This study is an attempt to overcome these lacunae and tries to bridge the gap in the area of Human Resource Management by studying the effect of various HRM practices concerning organizational and personal factors on individual working in Government Organization specifically in Rural Banking Sector.

RESEARCH METHODOLOGY

Research Design: Since the study is based on empirical data and therefore research design is exploratory.

Area of Study: District Moradabad

Data Sources:

- (i) Primary Data – Collected from Managerial Personnel's and Operational staff through questionnaires.
- (ii) Secondary Data - collected from available literature through books, magazines, journals, reports, periodicals, newspapers, websites e.t.c.

Data Collection Tool: Structured Questionnaire comprising of open ended and closed ended questions is used for the purpose of collecting data.

Sampling Technique: The convenience sampling technique is used to select respondents from the various Departments.

Tools for Data Analysis and Interpretation: Considering the sample size of study, objectives and other factors, the Chi Square testing as a statistical tool is used. The chi-square test is an important test amongst the several tests of significance developed by statisticians and is used to show the relationship between categorical data.

Sample Constitution: The sample for the study constituted 25 employees of Prathama Bank in Moradabad District. In order to achieve the objectives of the study, the following hypotheses were proposed and were tested through a Study.

Hypothesis 1

The following hypothesis aims to find out whether the HRM activities followed by Prathama bank are having the relationship with HR practices followed in general or not.

H_0 : There is no significant difference between HRD activities followed in Prathama bank and HRM Practices followed in general.

H_1 : There is significant difference between HRD activities followed in Prathama bank and HRM Practices followed in general.

For analyzing the relationship, Chi-Square(X^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
37.29	27	0.05	H_0 Accepted

The tabulated value of X^2 at 5% level of significance with 27 d.f. is 40.11. Since the calculated value is less than the critical value. Therefore, we do not have enough evidence to reject the null hypothesis (H_0).

Thus, it is concluded that there is no significant difference between HRD activities followed in Prathama bank and HRM Practices followed in general.

Hypothesis 2

The following hypothesis aims to find out whether the HRD climate existing in Prathama Bank is having the relationship with HRM practices followed in general or not.

H_0 : There is no significant difference between HRD climate in Prathama bank and HRM Practices in general.

H_1 : There is significant difference between HRD climate in Prathama bank and HRM Practices in general.

For analyzing the relationship, Chi-Square(X^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
46.1	36	0.05	H_0 Accepted

The critical value of the Chi-Square with 36 degrees of freedom at 5% level of significance equals 50.99. Since the sample value of X^2 is less than the critical value, there is not enough evidence to reject the null hypothesis. Therefore, there is no significant difference between HRD climate in Prathama bank and HRM Practices in general.

Hypothesis 3

The following hypothesis aims to find out whether Training programme followed in line with HRM Practices in Prathama Bank.

H_0 : There is association between training programme and HRM Practices followed in Prathama Bank.

H_1 : There is no association between training programme and HRM Practices followed in Prathama Bank.

For analyzing the relationship, Chi-Square(X^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
37.5	36	0.05	H_0 Accepted

Hypothesis 4

The following hypothesis aims to find out whether Appraisal of Performances followed in line with HRM Practices in Prathama Bank.

H_0 : There is association between Appraisal of Performances and HRM Practices followed in Prathama Bank.

H_1 : There is no association between Appraisal of Performances and HRM Practices followed in Prathama Bank

For analyzing the relationship, Chi-Square(X^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
50	36	0.05	H_0 Accepted

The critical value of the Chi-Square with 36 degrees of freedom at 5% level of significance equals 50.99. Since the sample value of X^2 is less than the critical value, there is not enough evidence to reject the null hypothesis.

Thus, it is concluded that Appraisal of Performances followed in line with HRM Practices in Prathama Bank.

Hypothesis 5

The following hypothesis aims to find out whether Leadership Practices followed in line with HRM Practices in Prathama Bank.

H₀: There is association between Leadership Practices and HRM Practices followed in Prathama Bank.

H₁: There is no association between Leadership Practices and HRM Practices followed in Prathama Bank.

For analyzing the relationship, Chi-Square(χ^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
43.5	36	0.05	H ₀ Accepted

The tabulated value of χ^2 at 5% level of significance with 36 d.f. is 50.99. Since the calculated value is less than the critical value. Therefore, we do not have enough evidence to reject the null hypothesis (H₀).

Thus, it is concluded that there is an association between Leadership Practices and HRM Practices followed in Prathama Bank.

Hypothesis 6

The following hypothesis aims to find out the positive association between Motivational level of employees with job satisfaction in Prathama Bank.

H₀: Motivational levels of employees associate positively with job satisfaction in Prathama Bank.

H₁: Motivational levels of employees do not associate positively with job satisfaction in Prathama Bank.

For analyzing the relationship, Chi-Square(χ^2) was used. Table below presents the related information.

χ^2	d.f.	Significance	Position
14.5	20	0.05	H ₀ Accepted

The tabulated value of χ^2 at 5% level of significance with 20 d.f. is 31.41. Since the calculated value is less

than the critical value. Therefore, we do not have enough evidence to reject the null hypothesis (H₀).

Thus, it is concluded that Motivational level of employees associate positively with job satisfaction in Prathama Bank.

OVERALL CONCLUSIONS (HYPOTHESES VIEWED AS PER THE ANALYSIS):

- (i) The Regional Rural banks have introduced Human Resource Practices for their employees and the employees did consider HRD inevitable, and as such, the first hypothesis of the study stood accepted.
- (ii) The HRD practices and measures were highly viewed by the bank employees as essential for achieving organizational goals as also for developing careers of bank employees; Also, the familiarity of HRD philosophy, practices and measures and resolving the pertinent challenges were found with very high degree of the agreement of the bank employees; and as such the second hypothesis of the study stood accepted.
- (iii) The Growth of banking sector in India is the result of skilled manpower which is the outcome of training and development which is proved in the third hypothesis.
- (iv) The fourth and the fifth hypothesis concluded that Appraisal of Performances as well as the Leadership practices is followed in line with HRM Practices in Prathama Bank.
- (v) Moreover, the levels of motivation of employees associate positively with the levels of satisfaction from the HRD mechanisms. Hence, the hypothesis number sixth of the study stood accepted.

At the end, the researcher liked to conclude that a well groomed, updated and awarded employee in an organization is just like a close circuit hidden camera; HRD is very good and useful if it is practiced in right direction, and the desired results from HRD are possible when organization is sincere and employees co-operate

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Impact of 'Make in India' on FDI: Opportunities and Challenges Ahead

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ABSTRACT

Apart from being a critical driver of economic growth, foreign direct investment (FDI) is a major source of non-debt financial resource for the economic development of India. Occasionally foreign companies complain about India's poor infrastructure, cumbersome land purchasing arrangements, excessive regulations, rigid labour laws and frequent power cuts. These challenges are well handled by the Prime Minister Modi by launching 'Make in India' but this is not merely an announcement, government has taken significant steps at policy level to invite manufacturers (foreign and domestic both) to make India a global manufacturing hub. This paper will establish a correlation in Make in India and Foreign Direct Investment (FDI) and later will explore how FDI in India has played an important role in the development of the Indian economy. This paper explores the opportunities and challenges of Make in India for indigenous as well as foreign investors.

Keywords: Foreign Direct Investment (FDI), Make in India, Start-up India, Skill India

INTRODUCTION

India's economic reforms way back in 1991 have generated strong interest in foreign investors and turning India into one of the favourite destinations for global FDI flows. According to A.T. Kearney, India ranks second in the World in terms of attractiveness for FDI. A.T. Kearney's 2007 Global Services Locations Index ranks India as the most preferred destination in terms of financial attractiveness, people and skills availability and preferred destination in terms of financial attractiveness, people and skills availability and business environment. Foreign direct investment (FDI) is a controlling ownership in a business enterprise in one country by an entity based in another country. FDI is defined as the net inflows of investment (inflow minus outflow) to acquire a lasting management interest in an enterprise operating in an economy other than that of the investor.

Apart from being a critical driver of economic growth, foreign direct investment (FDI) is a major source of non-debt financial resource for the economic development of India. Foreign companies invest in India to take advantage of relatively lower wages, special investment privileges such as tax exemptions, etc. For a country where foreign investments are being made, it also means achieving technical know-how and generating employment.

LITERATURE REVIEW

Dunning (2004) in his study "Institutional Reform, FDI and European Transition Economies" studied the significance of institutional infrastructure and development as a determinant of FDI inflows into the European Transition Economies. The study examines the critical role of the institutional environment (comprising both institutions and the strategies and policies of organizations relating to these institutions) in reducing the transaction costs

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of both domestic and cross border business activity. By setting up an analytical framework the study identifies the determinants of FDI, and how these had changed over recent years. Sunday et al. (2004), in their work "Explaining FDI Inflows to India, China and the Caribbean: An Extended Neighborhood Approach" find out that FDI flows are generally believed to be influenced by economic indicators like market size, export intensity, institutions, etc., irrespective of the source and destination countries. Klaus (2003) in his paper "Foreign Direct investment in Emerging Economies" focuses on the impact of FDI on host economies and on policy and managerial implications arising from this (potential) impact. The study finds out that as emerging economies integrate into the global economies international trade and investment will continue to accelerate. MNEs will continue to act as pivotal interface between domestic and international markets and their relative importance may even increase further.

Boon (2001) in his study, "Foreign Direct Investment and Economic Growth" investigates the casual relationship between FDI and economic growth. The findings of this Study are that bidirectional causality exist, between FDI and economic growth in Malaysia i.e. while growth in GDP attracts FDI, FDI also contributes to an increase in output. FDI has played a key role in the diversification of the Malaysian economy, as a result of which the economy is no longer precariously dependent on a few primarily commodities, with the manufacturing sector as the main engine of growth. The study by Dua and Rashid (1998) for the Indian economy does not support the unidirectional causality from FDI to Index of Industrial Production (IIP), wherein is taken as the proxy for GDP. In fact, this study used the monthly data for IIP and GDP, which may include seasonal component in its variation and hence it is required to de-seasonalise the data.

Alam (2000) in his comparative study of FDI and economic growth for Indian and Bangladesh economy stressed that though the impact of FDI on growth is more in case of Indian economy yet it is not satisfactory.

Sharma (2000) used a multiple regression technique to evaluate the role of FDI on the export performance in the Indian economy. The study concluded that FDI does not have a statistically significant role in the export promotion in Indian Economy. This result

is also confirmed by the study of Pailwar (2001) and the study also argues that the foreign firms are more interested in the large Indian market rather than aiming for the global market. By using a vector error correction model (VECM), Chakraborty and Basu (2002) tried to find the short run dynamics of FDI and growth. The study reveals that GDP in India is not Granger caused by FDI; the causality runs more from GDP to FDI and the trade liberalization policy of the Indian government had some positive short run impact on the FDI flow. The study by Sahoo and Mathiyazhagan (2003) also support the view that FDI in India is not able to enhance the growth of the economy.

OBJECTIVES OF THE STUDY

- To find out the impact of "Make in India" campaign in FDI inflow.
- To know the response of foreign investors to 'Make in India' initiative.

RESEARCH METHODOLOGY

The study is based on secondary data. The required data has been collected from various sources i.e. research papers, various Bulletins of Reserve Bank of India, UNCTAD world investment reports, Publications from Ministry of Commerce, Govt. Of India that are available on internet.

Why India is not an attractive destination for global manufacturers

India's ailing infrastructure scenario and defunct logistics facilities make it difficult for the country to achieve an elite status as a manufacturing hub. The bureaucratic approach of former governments, lack of robust transport networks, and widespread corruption makes it difficult for manufacturers to achieve timely and adequate production. The Modi government has vowed to remove these hurdles and make the nation an ideal destination for investors to set up industries.

'MAKE IN INDIA'

The concept behind 'Make in India' is to make India a manufacturing powerhouse in order to gainfully employ its demographic dividend. Fortunately, India has many powerful natural advantages including a big source of labour and a large domestic

market. Since, India has been unable to attract huge foreign investment during the last few decades the new Central Government led by Narendra Modi introduced an international marketing slogan 'Make in India' on 25th September, 2014 to attract business houses from around the world to invest and manufacture in India. FDI — First Develop India — was a signal to companies that his government would create an enabling environment for investment, which he expected they would reciprocate by committing their energies and investments to the country. The campaign 'Make in India' is completely under the control of the Central Government of India which attempts to enforce the inflow of FDI in the country and improve services of loss-making firms by partial privatization.

OBJECTIVES OF MAKE IN INDIA

- To make investing in manufacturing more attractive to domestic and foreign investors
- To give the Indian economy global recognition
- To create competitive industrial environment
- To development infrastructure
- To invite latest technologies
- To generate employment and skill formation

FOCUS SECTORS

Automobiles	Electronics S stems	Ports
Automobile Component	Food Processing	Railwa s
Aviation	IT & BPM	Renewable Energ
Biotechnolog	Leather	Roads and Highwa s
Chemicals	Media and Entertainment	Space
Construction	Mining	Textiles and Garments
Defense Manufacturing	Oil and Gas	Thermal Power
Electrical Machiner	Pharmaceuticals	Tourism

MAJOR INITIATIVES UNDERTAKEN

- Process of applying for Industrial License & Industrial Entrepreneur Memorandum have been made online on 24×7 basis
- Services of all Central Government Departments & Ministries will be integrated with a single window IT platform
- Online filing of returns and a check-list of required compliances to be placed on Ministry's/
- Department's web portal
- Single electronic register for businesses

FACTORS IMPACTING THE EASE OF DOING BUSINESS IN INDIA

Ease of doing business is an index published by the World Bank. It is an aggregate figure that includes different parameters which define the ease of doing business in a country. In this ranking India stands at 130 positions in the world. Following is some of the factors impacting ease of doing business in India:

- Delays in land acquisition
- Delays in municipal permission
- Delays in supply of materials
- Delays in award of work
- Operational issues dragging down the implementation of the projects
- Movement of projects through multiple departments at the state and Central levels
- Involvement of multiple agencies
- Requirement of various approvals across different stages of the project cycle

INITIATIVES UNDERTAKEN TO FACILITATE THE EASE OF DOING BUSINESS

- De-licensing and deregulation measures to reduce complexity and ensure increased transparency.
- Online applications for Industrial License & Industrial Entrepreneur Memorandum have been on 24×7 basis. Industrial license have been extended to three years, state governments asked to introduce self-certification.
- Services of all Central Government Departments & Ministries will be integrated with the eBiz – a single window IT platform for services.
- The process of obtaining environmental clearances has also been made online.
- All returns should be filed on-line through a unified form and a check-list of required compliances should be placed on Ministry's/Department's web portal.
- Center has advised all the departments that all registers maintained by the businesses should be replaced with a single electronic register

FDI INFLOW AFTER LAUNCH OF MAKE IN INDIA

TRENDS IN FDI INFLOW

According to United Nations Conference on Trade and Development (UNCTAD) World Investment Report 2015, India acquired ninth slot in the top 10 countries attracting highest FDI in 2014 as compared to 15th position last year. The report also mentioned that the FDI inflows to India are likely to exhibit an upward trend in 2015 on account of economic recovery. India also jumped 16 notches to 55 among 140 countries in the World Economic Forum's Global Competitiveness Index that ranks countries on the basis of parameters such as institutions, macroeconomic environment, education, market size and infrastructure among others.

According to Department of Industrial Policy and Promotion (DIPP), the total FDI inflows soared by 24.5 per cent to US\$ 44.9 billion during FY2015, as compared to US\$ 36.0 billion in FY2014. FDI into India through the Foreign Investment Promotion Board (FIPB) route shot up by 26 per cent to US\$ 31.9 billion in the year FY2015 as against US\$ 25.3 billion in the previous year, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

India has surpassed both the US and China in attracting foreign direct investment in greenfield projects, according to FDI Markets, a data service of Financial Times. The FT data shows that India attracted FDI for greenfield investment, measured by estimated capital expenditure, worth \$31 billion in the first half of 2015, ahead of \$28 billion to China and \$27 billion to the US. India was ranked fifth last year for capital investment, while increasing its number of projects by 47 per cent. In 2014, China received \$75 billion FDI while the US and the UK received \$51 billion and \$35 billion respectively. As per the department of industrial policy and promotion (DIPP), India attracted FDI equity inflows worth \$19.39 billion during the January-June period, up 30 per cent year-on-year.

Data for FY2015 indicates that the increase in the FDI inflows was primarily driven by investments in infrastructure and services sector. Within Infrastructure, Oil & Gas, Mining and Telecom witnessed higher FDI inflows, whereas IT services and trading (wholesale, cash & carry) drove the

services inflows. Most recently, the total FDI inflows for the month of September 2015 touched US\$ 2.9 billion as compared to US\$ 2.5 billion in the same period last year.

During FY2015, India received the maximum FDI equity inflows from Mauritius at US\$ 9.03 billion, followed by Singapore (US\$ 6.74 billion), Netherlands (US\$ 3.43 billion), Japan (US\$ 2.08 billion) and the US (US\$ 1.82 billion). Healthy inflow of foreign investments into the country helped India's balance of payments (BoP) situation and stabilised the value of rupee.

FDI in India witnessed an increase of 13 per cent and reached US\$ 16.63 billion during April-September, 2015 as compared to US\$ 14.69 billion in the same period last year.

According to the data released by Grant Thornton India, the total merger and acquisitions (M&A) and private equity (PE) deals in the month of August 2015 were valued at US\$ 2.6 billion (151 deals), which is 62 per cent higher in volume as compared to August 2014.

TOP 10 HOST ECONOMIES FOR FDI INFLOWS

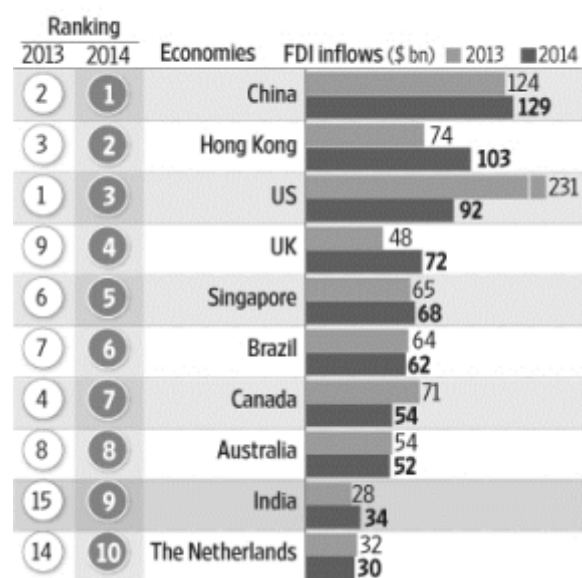
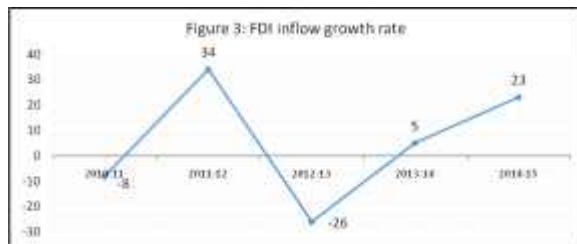


Figure 1

Source: UNCTAD



Source: RBI's Bulletin February, 2016 dt.10.02.2016
(Table No. 34 – foreign investment inflows).

INVESTMENTS/DEVELOPMENTS

The Government of India has amended the FDI policy regarding Construction Development Sector. The amended policy includes easing of area restriction norms, reduction of minimum capitalisation and easy exit from project. Further, in order to provide boost to low cost affordable housing, it has indicated that conditions of area restriction and minimum capitalisation will not apply to cases committing 30 per cent of the project cost towards affordable housing.

India's cabinet cleared a proposal which allows 100 per cent FDI in railway infrastructure, excluding operations. Though the initiative does not allow foreign firms to operate trains, it allows them to invest in areas such as creating the network and supplying trains for bullet trains etc.

Based on the recommendations of Foreign Investment Promotion Board (FIPB), the Government, in a meeting held on September 29, 2015, approved 18 proposals of FDI amounting to approximately Rs 5,000 crore (US\$ 770 million).

Some of the recent significant FDI announcements are as follows and majorly in manufacturing sector

- Japan has won the right to construct India's first bullet train, while offering a loan of US\$ 8.11 billion to India for the same.
- Chinese mobile handset maker, Coolpad Group Limited, has committed US\$ 300 million for setting up a research and development (R&D) center and its own assembly line in India by 2017.
- Amazon India expanded its logistics footprint three times to more than 2,100 cities and towns in 2015, as Amazon.com invested more than US\$ 700 million in its India operations since July 2014.
- Indian Railways has issued a Letter of Award (LoA) to US-based General Electric (GE) for a Rs 14,656 crore (US\$ 2.2 billion) diesel locomotive factory project at Marhowra, and to French transport major Alstom for Rs 20,000 crore (US\$ 3 billion) electric locomotive project in Madhepura, Bihar.
- Kellogg Co, world's largest cereal maker, is making large investments in manufacturing and plans to set up its first Research and Development (R&D) facility in India at Taloja, near Mumbai.
- The Government of Karnataka has signed an agreement with the Taiwan Electrical and Electronic Manufacturers Association for the purpose of creating a Taiwanese electronic manufacturing cluster near the Bengaluru airport, with an investment expectation of Rs 3,200 crore (US\$ 500 million).
- Posco Korea, the multinational Korean steel company, has signed an agreement with Shree Uttam Steel and Power (part of Uttam Galva Group) to set up a steel plant at Satarda in Maharashtra.
- Foxconn has signed a Memorandum of Understanding (MoU) with Maharashtra state government to invest US\$ 5 billion over the next three years for setting up a manufacturing unit between Mumbai and Pune.
- Global giants such as Bombardier, Hyundai-ROTEM, TALGO and CAF have queued up to manufacture semi high-speed train sets in India, which will be used for faster inter-city travel.
- Germany-based ThyssenKrupp group is aiming to double its revenue from India to US\$ 1 billion in next three-four years while the group's elevator unit, ThyssenKrupp Elevator, plans to invest EUR 44 million (US\$ 50.5 million) to set up a manufacturing plant in Chakan, Pune.
- Swedish home furnishing brand Ikea has made a long-term plan of opening 25 stores in India by making an investment worth Rs 12,500 crore (US\$ 1.9 billion).
- Google plans to invest Rs 1,500 crore (US\$ 234.3 million) for a new campus in Hyderabad which will be focused on three key areas — Google Education, Google Fibre broadband services and Street view.
- Warburg Pincus, a US based Private Equity (PE) firm, has planned to invest Rs 850 crore (US\$ 132.8 million) in Ecom Express – an India based logistics solutions provider.

SUGGESTIONS FOR FDI INFLOW INTO THE COUNTRY

FDI is in central role in success of Make in India. To attract FDI a nation need to work on determinants of FDI, China is the model country in last few decades in the case. Following determinants may become roadblocks which may impede growth and hamper the implementation of Make in India initiative.

Policy for Land Acquisition: The current laws make acquisition costly as well as tedious. A robust Land Acquisition policy which would make acquisition much easier along with an attractive R&R package is essential for investment in infrastructure and manufacturing.

Flexible Labour Laws: India's labour laws are rigid and inflexible that needs to be addressed. Progressive labour laws would create more job opportunities in the market and would contribute towards the growth of manufacturing sector.

Build skilled workforce: India need to build a strong workforce with technical skills which is needed in industrial capacity. India is a young nation. In the formal education system there is huge space to introduce vocational training. Skill India programme is there and government is paying attention to achieve mission of making India skill but in reality education at grass-root to make literate only and providing degree without skill

Eradicate Multiple Taxation: There is a need for simplification of tax laws and earliest implementation of GST to remove multiple taxation and to rationalize the tax system.

Promote Greenfield investment: India's volume of FDI has increased largely due to Merger and Acquisitions rather than large Greenfields projects. M&A not necessarily imply infusion of new capital into a country if it is through reinvested earnings and intra company loans. Business friendly environment must be created on priority to attract large Greenfields projects. **Develop debt market:** India has a well-developed equity market but does not have a well-developed debt market. Steps should be taken to improve the depth and liquidity of debt market as many companies may prefer leveraged investment rather than investing their own cash. **Education**

Good Governance: Poor governance may impede growth in the economy. They believe that good governance is essential for manufacturing sector growth and for the success of Make in India initiative. The government must fast track all pending cases of corruption.

CONCLUSION

In 2014 Prime Minister Shri Narendra Modi launched what would be another revolution in the making. 'Make in India' is the new mantra and the objective was to encourage the production of goods within the country. India has been called upon foreign companies to invest in India to create a virtuous cycle of economic growth with provide effective and easy governance. Make in India will surely create investment opportunities but these will be unevenly distributed. But a better policy environment could emphasize existing competitive edge and also energize potentially more competitive sectors. Manufacturing is one route to mass employment but the history of protection, complex labour laws, etc., makes it harder to get manufacturing off the ground. Make in India policy, which aims to turn India into a "global manufacturing hub". Ignoring rhetoric, the demographics of India are all about a young, under-skilled workforce.

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c c e s s e d

A Study on the perception of Government College Teachers Towards Quality of Work Life

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ABSTRACT

Whilst Quality of Life has been more widely studied, Quality of Working Life remains relatively unexplored and unexplained. A review of the literature reveals relatively little on quality of working life. Regular assessment of Quality of Working Life can potentially provide organizations with important information about the welfare of their employees, such as job satisfaction, general well-being, work-related stress and the home-work interface. The success of any organization is highly dependent on how it attracts, recruits, motivates, and retains its workforce. Today's organizations need to be more flexible so that they are equipped to develop their workforce and enjoy their commitment. The researchers have taken a sample of fifty teachers of two Government Colleges in the city of Moradabad. 25 respondents were selected from each college. The present study tries to find out the perception of teachers regarding quality of work life in their respective colleges. The study measures and makes a study of QWL of Government College teachers in Moradabad city as revealed by their attitudes towards various aspects of their jobs.

Key Words: Employee needs, quality, morale, performance, stress, working culture.

INTRODUCTION

The quality of life is an overall sense of well-being with a strong relation to a person's health perceptions and ability to function. From human needs, opportunities and preferences perspective, quality of life is considered as a multidimensional construct emerging from the evaluation of multiple needs on the individual, community, national and global levels.

The importance of this paper can be described as teachers are the backbone of any country. If teachers are fully satisfied with their jobs they would sincerely and passionately teach their students who would then serve the country and the whole world as well. But if teachers are not satisfied with their jobs they can intentionally or unintentionally be a source of loss for the nation because they may not put their

fullest attention to this delicate job. According to Briones, Elena, Tabernero, Carmen, Arenas and Alicia (2010) students are one of the important assets of any society. Well-being of society depends upon its students because these are the people who will take the responsibility of the success of the society in future and in achieving this goal teachers' role is extremely important. Teachers are the source of guidance in all the crucial steps in academic life of the students. People are interested to work in institutions where they feel satisfied. Economic, social and cultural development of any country depends on its Human Resource. According to Aurther Lewis, there are great differences in development between countries which seem to have roughly equal resources so it is necessary to enquire into the difference in human behavior. Efficient human resource and their commitment is essential for effective management of the organization. The

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management of 4 Ms: Money, Material, Machine and Men are essentially carried on by human resource of the organization.

The term "Quality of work Life" appeared in research journals in 1970s. It is not only monetary aspect that a modern employee is concerned with. He is also concerned with conditions of Employment, interpersonal conflicts, role conflicts, job pressure, lack of freedom of work and absence of challenging work etc. As the style of management changed from paternalistic to democratic so did the expectation of employees. Quality is a relative term based on the expectations of let's say the consumers. Quality refers to an ideal expectations and actual expectations match. QWL is measured by the satisfaction or lack of it by employees in their jobs.

REVIEW OF LITERATURE

The present study examines the Quality of work life, i.e. the degree to which job features that are highly valued by individuals are present in their work environment. Though, a number of studies have been conducted in the field of academics but a few have been undertaken to know the perception of Government College teachers towards Quality of work life. S McCall in "Quality of Life", Social indicators research 2, states that the best way of approaching Quality of Work Life measurement is to measure the extent to which people's 'happiness requirements' are met. The necessary conditions in question are identified with the availability of means for the satisfaction of human needs rather than human desires, and a Maslowian analysis of the former is proposed in default of any more satisfactory analysis. The paper concludes with a discussion of how maximizing need-satisfaction (as opposed to want-satisfaction) automatically guarantees fair distribution of needed goods. This ensures that in at least some respects high-QOL societies are societies characterized by justice. Alan H. Portigal, in "Current research on the Quality of Working Life" some viewpoints on the Quality of Working Life are indicated. Recent research has shown that the quality of working life apparently has definite implications for public health and welfare, and manpower policy, both areas of major government concern. Research into this area could well have implications for government activity in the fields of minimum labour standards, and

industrial relations policy as well. Dr. Smritikana Mitra Ghosh concludes that Job satisfaction is the attitude of an employee which results from specific factors related with job such as wages, supervision, steadiness of employment, conditions of work, opportunities for advancement, recognition of ability, fair evaluation of the job, prompt with grievances, fair treatment by employer and other similar items. Job satisfaction is positive attitude towards one's job. Acc. to Bandhana job satisfaction has been the theme of numerous studies in both public and private organizations. Teachers are the key agents through which educational plans are achieved. Since job satisfaction is an emotional response, the meaning of the concept can only be discovered and grasped by a process of introspection, that is an act of conceptual identification directed to one's mental contents and process.

OBJECTIVES OF THE STUDY

The present paper aims at the following objectives:

- To know about the perception of male and female teachers regarding quality of work life in their respective Colleges.
- To measure and make a study of QWL of Government College teachers in City Moradabad as revealed by their attitudes towards various aspects of their jobs.

RESEARCH METHODOLOGY

Research Type	: Empirical
Type of Sampling	: Convenience Sampling
Sampling Unit	: Government College teachers
Sampling Universe	: Government Colleges, (Hindu College, KGK Degree College in City Moradabad, Uttar Pradesh)
Sample size	: 50 (Male 30, Female 20)
Data Type	: Primary as well as Secondary Data
Data Source	: Survey through questionnaire
Tools	: Independent T-test and mean scores have been taken for the data taken on a five point Likert scale.
Scope of the study	: The scope of study is related to teaching staff of Government Colleges in region Moradabad (Uttar Pradesh). The scope of the research shall be in reliance with the methods and instruments of research used in this study. Special attention has been given to carry out the research in a manner such that it contributes to the overall study regarding quality of work life. Opinion of various levels of faculties in Moradabad city of Uttar Pradesh has been taken about the quality of work life. Their views have been incorporated in this paper. The paper also takes the references of various articles written by various experts on quality of work life.

HYPOTHESES

Researchers have framed ten hypotheses. The details are mentioned herein below:

Hypothesis 1

H1o: There is no significant difference between the perceptions of male and female teachers regarding sufficient health care facility in the college

H1a: There is a significant difference between the perceptions of male and female teachers regarding sufficient health care facility in the college

Hypothesis 2

H2o: There is no significant difference between the perceptions of male and female teachers regarding provision of standard safety measures in the college

H2a: There is a significant difference between the perceptions of male and female teachers regarding provision of standard safety measures in the college

Hypothesis 3

H3o: There is no significant difference between the perceptions of male and female teachers regarding stress free environment in the college in difficult situations

H3a: There is a significant difference between the perceptions of male and female teachers regarding stress free environment in the college in difficult situations

Hypothesis 4

H4o: There is no significant difference between the perceptions of male and female teachers regarding welfare facilities provided at the working area in the college

H4a: There is a significant difference between the perceptions of male and female teachers regarding welfare facilities provided at the working area in the college

Hypothesis 5

H5o: There is no significant difference between the perceptions of male and female teachers regarding getting salary according to the achievements and experiences at the job

H5a: There is a significant difference between the perceptions of male and female teachers regarding getting salary according to the achievements and experiences at the job

Hypothesis 6

H6o: There is no significant difference between the perceptions of male and female teachers regarding college being the motivator to improve employees' productivity

H6a: There is a significant difference between the perceptions of male and female teachers regarding college being the motivator to improve employees' productivity

Hypothesis 7

H7o: There is no significant difference between the perceptions of male and female teachers regarding proper communication and information flow between the departments

H7a: There is a significant difference between the perceptions of male and female teachers regarding proper communication and information flow between the departments

Hypothesis 8

H8o: There is no significant difference between the perceptions of male and female teachers regarding balancing work and family commitments

H8a: There is a significant difference between the perceptions of male and female teachers regarding balancing work and family commitments

Hypothesis 9

H9o: There is no significant difference between the perceptions of male and female teachers regarding encouraging employees to offer comments and suggestions

H9a: There is a significant difference between the perceptions of male and female teachers regarding encouraging employees to offer comments and suggestions

Hypothesis 10

H10o: There is no significant difference between the perceptions of male and female teachers regarding satisfaction with overall working culture of the College

H10a: There is a significant difference between the perceptions of male and female teachers regarding satisfaction with overall working culture of the College

ANALYSIS AND INTERPRETATION

(A) GENERAL DETAILS

Questions were asked from the respondents about their perceptions regarding various variables relating to quality of work life in their respective colleges. We obtain the following data:

The researchers have used independent t-test, mean scores, Pearson correlation to test the above stated hypotheses.

Hypothesis 1

On average, male teachers have almost similar perception about the health facilities provided by the

Table 1: General details of Teachers

S. No.	Variables	Details	Male	Female	Total
1	Gender		30	20	50
2	College	KGK	10	10	20
		HINDU	20	10	30
3	Age (In Years)	30 – 39	7	8	15
		40 – 49	10	5	15
		50 – 59	11	7	18
		60 and Above	2	0	2
4	Marital Status	Married	23	12	35
		Unmarried	7	8	15
5	Qualification	Masters	11	9	20
		Ph.D.	19	11	30
6	Experience (In Years)	5-15	10	9	19
		16-30	14	8	22
		Above 30	6	3	9
7	Cadre	Assistant Professor	5	5	10
		Associate Professor	20	10	30
		Professor	5	5	10

college ($M = 3.5$, $SE = 0.093$) as female teachers ($M = 3.60$, $SE = 0.152$), $t(49) = 0.594$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding sufficient health care facility in the college

Hypothesis 2

On average, male respondents have almost similar perception about the safety measures adopted by the college ($M = 3.7$, $SE = 0.119$) as female respondents ($M = 4.00$, $SE = 0.162$), $t(49) = 1.525$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding provision of standard safety measures in the college

Hypothesis 3

Male teachers have different perception about the stress free environment in the college ($M = 3.4$, $SE = 0.091$) as female respondents ($M = 4.15$, $SE = 0.196$), $t(49) = 3.86$, $p < .05$ Null Hypothesis is rejected and alternate hypothesis is accepted. We can conclude that there is a significant difference between the perceptions of male and female teachers regarding stress free environment in the college in difficult situations. Male teachers feel more stress at work than female teachers.

Hypothesis 4

On average, male respondents have almost similar perception about the welfare facilities provided at the working area in the college ($M = 3.87$, $SE = 0.104$) as female respondents ($M = 3.70$, $SE = 0.147$), $t(49) = -0.952$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude

that there is no significant difference between the perceptions of male and female teachers regarding welfare facilities provided at the working area in the college.

Hypothesis 5

Male respondents have different perception about the salary given according to experience and work

load in the college ($M = 3.5$, $SE = 0.093$) as female respondents ($M = 4.25$, $SE = 0.160$), $t(49) = 4.334$, $p < .05$ Null Hypothesis is rejected and alternate hypothesis is accepted. We can conclude that there is a significant difference between the perceptions of male and female teachers regarding getting salary according to the achievements and experience at the job.

(B) TESTING OF HYPOTHESES

Table 2: Mean of Perceptions of Male and Female Teachers

S. No.	Variables	Group	N	Mean	Std. Deviation	Std. Error Mean
1	Health Facility	Female	20	3.60	.681	.152
		Male	30	3.50	.509	.093
2	Safety Measures	Female	20	4.00	.725	.162
		Male	30	3.70	.651	.119
3	Stress Free Environment	Female	20	4.15	.875	.196
		Male	30	3.40	.498	.091
4	Welfare Facilities	Female	20	3.70	.657	.147
		Male	30	3.87	.571	.104
5	Salary according to work	Female	20	4.25	.716	.160
		Male	30	3.50	.509	.093
6	Motivate to Improve Productivity	Female	20	3.90	.553	.124
		Male	30	4.23	.626	.114
7	Free Flow of Communication	Female	20	3.65	.587	.131
		Male	30	3.90	.845	.154
8	Good Work & Family Balance	Female	20	4.15	.587	.131
		Male	30	3.47	.819	.150
9	Free to give Suggestions	Female	20	3.60	.598	.134
		Male	30	3.87	.730	.133
10	Satisfied with Working Culture	Female	20	4.20	.768	.172
		Male	30	4.33	.661	.121

Hypothesis 6

On average, male teachers have almost similar perception about the colleges role as a motivator to its employees ($M = 4.23$, $SE = 0.114$) as female teachers ($M = 3.90$, $SE = 0.124$), $t(49) = -1.931$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding college being the motivator to improve employees' productivity.

Hypothesis 7

On average, male teachers have almost similar perception about the flow of information among the

different departments of the college where they can share their views ($M = 3.90$, $SE = 0.154$) as female teachers ($M = 3.65$, $SE = 0.131$), $t(49) = -1.149$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding proper communication and information flow between the departments.

Hypothesis 8

Male teachers have different perception about the work-life balance in the college ($M = 3.47$, $SE = 0.150$) as female teachers ($M = 4.15$, $SE = 0.131$), $t(49) = 3.215$,

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Health Facility	Equal variances assumed	3.600	.064	.594	48	.555	.100	.168	-.238	.438
	Equal variances not assumed			.561	32.801	.579	.100	.178	-.263	.463
Safety Measures	Equal variances assumed	.263	.611	1.525	48	.134	.300	.197	-.096	.696
	Equal variances not assumed			1.492	37.759	.144	.300	.201	-.107	.707
Stress Free Environment	Equal variances assumed	14.931	.000	3.860	48	.000	.750	.194	.359	1.141
	Equal variances not assumed			3.476	27.266	.002	.750	.216	.307	1.193
Welfare Facilities	Equal variances assumed	2.148	.149	-.952	48	.346	-.167	.175	-.519	.185
	Equal variances not assumed			-.925	36.853	.361	-.167	.180	-.532	.198
Salary according to work	Equal variances assumed	2.259	.139	4.334	48	.000	.750	.173	.402	1.098
	Equal variances not assumed			4.051	31.577	.000	.750	.185	.373	1.127
Motivate to Improve Productivity	Equal variances assumed	1.952	.169	-1.931	48	.059	-.333	.173	-.680	.014
	Equal variances not assumed			-1.980	44.221	.054	-.333	.168	-.672	.006

Free Flow of Communication	Equal variances assumed	3.663	.062	-1.149	48	.256	-.250	.218	-.687	.187
	Equal variances not assumed			-1.234	47.882	.223	-.250	.203	-.657	.157
Good Work & Family Balance	Equal variances assumed	5.195	.027	3.215	48	.002	.683	.213	.256	1.111
	Equal variances not assumed			3.433	47.692	.001	.683	.199	.283	1.084
Free to give Suggestions	Equal variances assumed	.128	.722	-1.356	48	.181	-.267	.197	-.662	.129
	Equal variances not assumed			-1.412	45.854	.165	-.267	.189	-.647	.114
Satisfied with Working Culture	Equal variances assumed	.394	.533	-.655	48	.516	-.133	.204	-.543	.276
	Equal variances not assumed			-.635	36.562	.529	-.133	.210	-.559	.292

$p < .05$ Null Hypothesis is rejected and alternate hypothesis is accepted. We can conclude that there is a significant difference between the perceptions of male and female teachers regarding balancing work and family commitments. Female employees feel happier as compared to male employees.

Hypothesis 9

On average, male teachers have almost similar perception about bank encouraging its employees to offer comments and suggestions ($M = 3.87$, $SE = 0.133$) as female teachers. ($M = 3.60$, $SE = 0.134$), $t(49) = -1.356$, $p > .05$ Null Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding encouraging employees to offer comments and suggestions.

Hypothesis 10

On average, male teachers have almost similar perception about overall working culture of the college ($M = 4.33$, $SE = 0.121$) as female teachers ($M = 4.20$, $SE = 0.172$), $t(49) = -0.655$, $p > .05$ Null

Hypothesis is accepted and alternate hypothesis is rejected. We can conclude that there is no significant difference between the perceptions of male and female teachers regarding satisfaction with overall working culture of the college.

FINDINGS

- The female teachers perceived that college have stress free environment with a mean score of 4.15. They also believe that salary paid to the employees of the college is according to the work without any discrimination (Mean score 4.25). They perceive that they can take care of their families without any major problems. There is a proper work-life balance (Mean score 4.15).
- The female teachers perceived some restrictions in the free flow of information/communication (Mean score 3.65) and they hesitate to give any suggestions believing that it will not be accepted by the superiors (Mean score 3.6)
- Male teachers perceive that superiors in the college motivate their subordinates to improve their productivity (Mean score 4.23). Contrary

to female respondents, male members feel that there is a free flow of information /communication in the college (Mean score 3.90)

- Male teachers perceived that there is a lot of stress in their job due to work pressure (Mean score 3.40). Due to this they feel that their salary is not according to the work assigned to them (Mean score 3.50). They also perceive that their personal life is also affected due to their job (Mean score 3.47).
- Both male and female respondents perceive that there is adequate health facilities, safety measures and welfare facilities provided by the college.
- Regarding stress free environment in the college, male teachers feel more stress at work than female teachers.
- Regarding salary given in the college, male teachers feel that salary is less as compared to their experience and work load while female teachers are satisfied with their remuneration.
- Both male and female teachers feel that college motivates its employees to improve their productivity.
- Both male and female teachers feel that college encouraging its staff to offer comments and suggestions.
- Both male and female teachers feel that their respective college is good place to work. Both of them are satisfied with the working culture of their college.

SUGGESTIONS

Colleges should try to provide congenial environment so that their staff feel safe and happy in working. A transparent environment should be created so that all the teachers should be motivated to offer constructive suggestions for the improvement in the working style of the college. College management should develop certain strategies to provide stress free environment so that employees should feel happy and safe in the college and motivated to work hard.

CONCLUSION

A lot of improvement is required in the working style of Government Colleges. Due attention should be paid to the grievances of the employees. A stress

free environment is a prerequisite for the growth of any organization. Colleges have to go a long way to provide stress free environment. For this some arrangements should be made such as recognition of the good work of the teachers, meditation and yoga exercises should be included, etc.

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Branding: The New Horizon of Indian Polity and its Ramifications

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ABSTRACT

Normally when a person talks about brands and marketing, politics is the last thing which would occur in one's mind. However, the last general election changed this and how! For the first time in the post-Nehruvian, post-Indira, post-Vajpayee era, emerged a brand which resonated with majority of the Indian electorate. Such was the charisma of brand Modi that it took Indian politics by storm. There were his distracters who doubted the efficacy of brand Modi but the result put paid to any such doubts which lingered in the minds of people with regard to how big brand Modi has become in the Indian political system.

This research paper would delve upon the plethora of factors which went into making brand Modi what it became prior to and in the aftermath of general election and how it reshaped the Indian politics in a never before way. The paper would talk about the return of charisma, which went into oblivion due to lack of influential leaders, when we think of Indian politics. It would also highlight the impact of brand Modi in delivering on an impossible front that is till the general election a single-party non-Congress majority government at the center, that too after a gap of almost three decades. After going through this research paper, the reader would be in a position to understand the importance as one can attach with individual charisma in politics and the decisive role it could play, as was very much evident in the general election, in terms of formation of a stable government. The aura of individual politics was at its pinnacle in this election and that is the underlying idea of this research paper.

INTRODUCTION

If one goes by the definition of what comprises a brand, there are many versions of it. some of the popular ones are as mentioned below:

Brands have been around us since "the dawn of history" existing as trademarks (Danesi, 2006, p 10)

Brands are described as any visual symbols that identify a product or service (Danesi, 2006)

A brand is any combination of names, slogans, logos, symbols, shapes, colors, letters, signatures, product design, packaging, advertising, and marketing that together give particular products or services a

physical, recognizable form that is visually distinctive (Williams, 2000; Clifton et al., 2009).

Based on the above, it becomes a bit unusual, especially for the Indian electorate, to imagine the leaders whom it votes to power, as brands. This to an extent might be the case as well. However, in the increasingly commercialized world, nothing is wrong in objectifying an individual's personality as long as it adds value and enhances the credibility of the purpose for which it is done. Many such evidences are to be found in the Indian landscape- Amitabh Bachchan taking up the cause of eradicating polio, or Aamir Khan spreading

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awareness regarding treating foreign tourists with utmost respect. The same could be applicable to the political scenario of India.

Most of the existing literature which one found related to branding could be used when explaining political candidates. The overall perception associated with a political candidate, party, policy or campaign which is communicated to a population with the help of both material and immaterial language and cues is political branding.

POLITICAL BRANDING AND INDIAN POLITICS

We find many instances of political branding in the history of Indian elections but none of them more profound as in the last general election.

Personal branding was at the helm of persuading voters to actually vote as well as to highlight the policies of the party.

Political parties in India borrowed some ideas from the US Democrats during the last general election. For example, people on the campaign mailing list were encouraged to send in their stories which would be written up or made into video documentaries, and shared with the wider mailing list. All this, in turn, added to the individual charisma of their party leaders.

Political parties, whether be it the oldest horse in the race, namely Indian National Congress or the one-year old Aam Aadmi Party, all of them understood the significance of political branding thanks to the onslaught of it by Bharatiya Janata Party in the form of brand Modi in ways which have few parallels in contemporary Indian politics.

Likewise, brand Gandhi and brand Kejriwal were promoted by their respective parties by putting these leaders in the spotlight more than the party itself. However, the dividends of such a move were not heartening for them on the lines of BJP.

In the past, there was the famous slogan – Indira is India and India is Indira but it was more on the forceful side than being a popular one.

The candidates, when elected, leave their imprints in the form of policies, both successful and unsuccessful, which still resonate with the voters

Mr Atal Bihari Vajpayee is seen in the positive light for putting India on the map of nuclear-enabled nations and a successful Operation Vijay (Mission Kargil). On the other hand, the name of Late Indira Gandhi pops up whenever the word 'Emergency' is mentioned highlighting negative connotation though she was the one who initiated the nuclear power programme at Pokhran still the bad press as earned by Emergency and Operation Blue Star overshadowed most of her good deeds.

At the regional level too there have been numerous individual politicians who have been the poster-children for their respective parties. Lalu Prasad Yadav (RJD), Mulayam Singh Yadav (SP), Mayawati (BSP), Jayalalitha (AIADMK), Karunanidhi (DMK), Mamata Banerjee (TMC), Sharad Pawar (NCP), Nitish Kumar (JDU), Dewegowda (JDS), Naveen Patnaik (BJD), Bal Thackeray (Shiv Sena), Chandrababu Naidu (TDP), Farooq Abdullah (NC), etc.

What is of interest here is the fact that most of these famous regional players were initially part of the national parties like Congress, Janata Dal, etc. As the individual ambitions of the prominent party workers became too big to be accommodated by their parties all at the same time, they launched their own parties albeit keeping a part of the legacy of the original party in the form of a derivative of the parent party name. There are multiple references to the word Congress, the oldest party in Indian politics, which could be found in the names of many of these parties. Ditto for Janata Dal. Samajwadi is another one. MNS is a party which was created after a conflict of interest with Shiv Sena between its founder and the patriarch of Shiv Sena.

The point mooted in this paragraph is individual charisma is something which made possible for a politician like Lalu Prasad Yadav to rule better part of the last three decades in Bihar either personally or by making people accept his illiterate wife Rabri Devi as the chief minister, despite being behind the bars. This goes on to highlight the influence which these political brands wield on their followers.

Many of these regional players parted ways after the demise of their patriarchs. The SP-BSP split or DMK-AIADMK are fine examples of it. The prodigies found it too much to work along side-by-side in the absence of the binding force. Such phenomenon is not uncommon in the corporate world as well. With the demise of Dhirubhai Ambani, the two Ambani brothers parted ways and went in their own directions forming individual companies.

Thus, the present study draws its parallels from the business world in more ways than one. The branding aspect is as important in politics, if not more, than it is the business domain. At least the general election 2014 was testimony to the same.

BRAND MODI: A CUT ABOVE THE REST

The politician who understood this aspect of branding more than anyone else during this election was none other than BJP-led NDA PM Candidate Mr Narendra Modi, who rode on his individual charisma across the nation so much so that he went on to become the prime minister of the country. Not only this, he made it possible, for the first time in three decades as well as for the first time ever for a non-Congress party, to come to power in the center with a single-party majority.

Riding on his aura, BJP scored home in 282 seats, the highest tally ever for a non-Congress party. National Democratic Alliance, of which BJP was the major party, won in 336 seats out of a possible 543 seats. In the process, he single-handedly decimated the Grand Old Party of India, namely Indian National Congress, whose brand value took a severe beating as the party put up its worst show ever - a measly 44 seats, just 7 more than a regional party like AIADMK which won 37 seats by contesting in Tamil Nadu alone, thus facing the ignominy of not being granted the status of the opposition party as it requires at least ten-percent seats in the 543-seat strong Lok Sabha.

Such was the wrath havocked on the party that it rubbed off on the coalition as well, of which Congress was the main party. United Progressive Alliance won a paltry 59 seats. And we are talking of a party which was in the center for the past one decade along with being for almost 45 years in power in the past 60 years of Indian democracy since the first general election was held.

These are no mean feats by any standards keeping in perspective the importance of even 2 seats which were enough to decide the fate of the central government in the past. Mr Atal Behari Vajpayee once lost the trust motion by a margin of 2 votes in a show of strength for his government in the Lok Sabha. Contrasting this, a leading English daily had a headline, 'Jayalalitha has a massive 37 seats which Modi doesn't need'. This further adds brownie points to the brawn of brand Modi.

SLOGANS AND CAMPAIGNS : BRAND MODI AHOY!

Slogans such as 'Mera Vote Mera Adhikar, Abki Baar Modi Sarkar', 'Chai Par Charcha with NaMo', 'Sushan, Sankalp, BJP Vikalp', 'Vote for India, Vote for Modi', 'Modi for PM', 'Hit and Fit for PM', etc. highlighted the support for Mr Modi.

In fact, the slogan 'Abki Baar, Modi Sarkar' acquired cult status transcending the boundaries of politics and used by numerous players, both political and non-political, to promote their cause. The creatives which were associated with this slogan were eye-catching, appealing, engaging what not! They floated on the social networking platforms and such mobile apps like Whatsapp thus bringing unprecedented popularity to brand Modi and that too at a fraction of cost of traditional advertising media. This goes on to highlight the smart moves as taken on part of Mr Narendra Modi.

There were mobile apps, whatsapp number, mobile phone, laptop skin, watches, mugs, clocks, mobile covers, games, 3D projections, t-shirts, caps, tea, trinkets which highlighted the extent to which Brand Modi became pervasive in India.

Apco worldwide, one of the most powerful global entities in the domain of PR, had been hired to improve Mr Modi's image in western nations and with the recent successful sojourns of three most significant economies of the world, namely Japan, China and US (in that order) goes on to prove that it worked to a great extent.

Mr Modi travelled close to 170K miles and addressed 450+ rallies in every part of the country, the most by any politician in the history of Indian democracy which is no mean feat by any standard.

Not one to stop at this, he even addressed with the help of 3D 'Avatar' thanks to the latest technique.

E-BRAND MODI : THE ONLINE JUGGERNAUT

When one talks about the virtual world, there was simply no match to brand Modi. He was always heads and shoulders above his compatriots in the online battle so much so that many of them didn't bother to challenge him after some time.

The savviest politician, when it comes to the social media, during the general election of 2014 was Mr Narendra Modi.

He had 2.6 million Twitter followers prior to election which saw a quantum leap to 7 million followers post-election (@narendramodi). His first tweet after becoming the prime minister, 'India has won! भारत की वजिय। अच्छे दिन आने वाले है।' became one of the most retweeted tweets of that year, being retweeted more than 70k times. Prior to this also many of his tweets were retweeted countless times. No doubt, he was one of the most followed politicians not only in his home country but abroad as well. To score the point home, among politicians, Japanese PM Shinzo Abe followed only Narendra Modi.

He had around 5.5 million Facebook 'likes' at the time leading to elections which jumped to a mind-boggling 267 million since he became the PM ([facebook.com/narendramodi](https://www.facebook.com/narendramodi)).

He has his own website (narendramodi.in) along with the party website (bjp.org) as well as a website named india272.in highlighting his ambitious plan for the LS elections which he surpassed (BJP got 282 seats). Thus, brand Modi outperformed its own expected performance. A fine example of over-achieving the intended target!

He even has a full-fledged and well-structured team of professionals managing his social media strategy. Such is his popularity online that even when he was the chief minister of Gujarat, which he served for an astonishing 14 years and for a record four terms, the longest uninterrupted duration served by a chief minister in the history of India, he was ahead of US President Mr. Obama in the prestigious TIME Poll 2012 at one stage. Not only this, he missed out by that

much during the naming of 'Person of the Year' award by the same magazine for 2014 coming second to the 'Ebola Fighting People'. In fact, he was chosen as the winning candidate by the online population. It was the editorial board of TIME which thought otherwise.

All this added wonderfully to the individual charisma of Mr. Narendra Modi, the politician.

BRAND MODI OUTWEIGHS APPREHENSIONS: WOOS EVEN MUSLIMS

The critics of brand Modi were up in arms saying that he would not be able to make an impact with the Muslim electorate. Defying such claims, Modi fought the election on the plank of development and promised 'Acche Din' to one and all. It was the pull of brand Modi that the BJP won 45 of the 87 Lok Sabha seats identified by the Centre for the Study of Developing Societies (CSDS) as having a high concentration of Muslim voters. In Uttar Pradesh alone, the party won all but one of the 27 seats with a sizeable Muslim electorate. (Source: Hindu Human Rights). Of the 102 constituencies where at least one in five voters is a Muslim, the BJP won 47 seats.

In the last general election in 2009, the party had won only 24 of these seats. The party also won two seats where more than half the population is Muslim. This again reaffirms the faith of all the sections of the society on brand Modi more than on anything else.

THE FLIP SIDE OF BRAND MODI

At the same time, the 2002 Godhra pogrom is a severe dent in his brand equity. Despite getting a clean chit from the committee formed for investigating his alleged role in these riots, he always finds it difficult to convince his detractors in this regard.

His staunch support to Hindutva, alleged soft stand towards radicals and fringe groups belonging to it, lack of assurance on numerous accounts to minorities regarding their safety in the country have not helped his cause on various occasions. However, the positive aspects of brand Modi far outweigh the negatives. At least the election result showed the same.

The recent drubbing which BJP has got in the form of lower-than-expected to unexpected results in the state assembly polls has led to some apprehension about the appeal of Brand Modi but in the national context, he is still the most reliable brand for a political party and has still got it what it takes to be identified as a successful political brand.

CONCLUSION

The strong brand equity which Mr. Modi enjoyed in his home state, Gujarat, where he was the CM since 2001 till 2014, a record for any state, adds to his overall brand persona. Even during his CM days, 'Pravasi Bharitya Diwas' was a big hit among the NRIs as he showcased the Gujarat Model to them drawing appreciation for the growth carried out in the state under his leadership and attracting huge investments in the state. He had a proven track record to back up his candidature more than anything else during the 2014 general election, a fact which even his die-hard critics find hard to deny beyond an extent. His smart moves with regard to utilizing the might of the virtual world along with the traditional media were unmatched and the opponents simply had no answer to the same. He went on to prove that elections can be fought and won on the plank of development rather than on equations of caste and religion. He emerged as the biggest political brand in contemporary India, with few parallels, who had even his hardest critic looking for answers as to how and why he became so popular and successful during the general election of 2014 and in its aftermath.

At the same time, as highlighted above, brand Modi suffered a bit in the wake of the 2002 Gujarat riot as well as the results of the state assembly elections which took place in the past two years. His staunch support towards Hindutva and alleged soft stand towards the hardliners practicing it had the minorities looking for better alternatives but there were hardly any. Thus, it came as no surprise that even among the Muslim electorate; he emerged as a clear favorite. The last general election would be remembered for the way brand Modi outshone other political brands in a really unprecedented way.

Also, it has become evident that if the regional political icon is a stronger one, as discussed above in the research paper, it could well resist the pull of a national political brand as was evident in the

assembly elections over the past two years. It goes on to prove that the customer (Read voter) has become selective in her/his approach while choosing her/his leader. S/he inclines towards a regional political brand when s/he has to choose for the regional politics whereas the scenario changes when the same voter votes for national politics. Even in this, there are such powerful regional political brands like J. Jayalalitha, Mamata Banerjee, Naveen Patnaik, etc. who can sway the voters in their direction no matter whether it is general election or assembly election and then there are such regional political brands who do wonderfully well in assembly election but fumble in national election.

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From Seers to Shelves: The Case of Patanjali

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ABSTRACT

Patanjali – A gamut of fortunes and amalgamation of traditional medicine and technology is clocking millions every day. The upcoming phenomenal growth of the firm is currently at the fore in the competition to Indian and multinational FMCG companies. Patanjali, the brand named after an ancient scholar who compiled the yoga sutras, is advantaged in a sense that it is backed by “Baba Ramdev” brand, as well as its strong emphasis on organic, herbal and natural products. This paper first assembles available evidence on the strategies of Patanjali through “A Framework for Strategic Innovation: The Four A’s” and considers the relative importance of underlying factors driving the process. It then analyzes how Patanjali is changing the nature and corporate culture of FMCG and explores the implications for the customers and conglomerates.

INTRODUCTION

Ayurveda is one of the oldest, still thriving, health conventions in the world. Originating in India, Ayurveda is based on Sankhya philosophy, which means 'rational enquiry into the nature of the truth', and is an ancient medical science, which was developed in India thousands of years ago. Literal meaning of Ayurveda is science of Life. Life in Ayurveda is conceived as the union of body, senses, mind and soul. The concept of Prakriti or human constitution plays a central role in understanding health and disease in Ayurveda, which is similar to modern pharmacogenomics. Charak Samhita (1000 BC) and Sushrut Samhita (100 AD) are the main contributors to this body of knowledge. Ayurveda materia medica gives detailed descriptions of over 1500 herbs and 10,000 formulations. Madhav Nidan (800 AD) a diagnostic classic provides over 5000 signs and symptoms.

A paradigm shift in innovation strategy is needed, involving, among other things, revisiting the vast

potential that the Ayurveda and other global traditional knowledge proposes. A strong conduit between Ayurveda, academia and industry coupled with intensive evidence-based research and mutually respected public private partnership is possibly the right way forward. A right identification of country-specific cultural and value dimensions and proper consideration of the same, in brand marketing play a pivotal role in ensuring success in the highly competitive market scenario.

Madhavan (2003) revealed that the recent consumer preference towards the herbal products might have stemmed from the dissatisfaction with modern biochemical products, both medicinal and cosmetic. Bode (2004) expressed that Ayurvedic and Unani industry projects its medicines as representations of a superior kind of modernity and rationality which acknowledges human faculties that are beyond the ethos of modern science.

Gupta (2006) suggested that as India makes rapid strides in its economic growth, it is increasingly becoming an attractive destination for international

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companies, thus heating up the competition in the domestic market. One key learning from the experience of Indian MNCs is that companies need to build a core competency and possibly avenues to generate internal accruals or external finances for funding globalization plans. Amidst colossal growth of herbal products and India's role in capitalizing its deep-rooted curative products, one sage identified the potential of catapulting the traditions into mega brand – Swami Ramdev.

PATANJALI IN BRIEF

Patanjali Ayurved Ltd. is not a company. It is a CONCEPT – a concept that links the intensifying destiny of millions of rural masses on the one hand and many more agony of the unhealthy urban life style on the other.

It economically processes farm produce into daily use consumables, ranging from Ayurvedic health supplements to foods and cosmetics and then supplies them to urban consumers. The organic and herbal products are made available to a large population in the urban areas that is reeling under the plague of polluted food items and artificial drinks making them vulnerable to a variety of chronic diseases. The panacea to urban population's exposure to chemicals and population is offered at a cost that is unmatched in the market. The consequential benefits are no less crucial to the mankind. Backed by a robust preaching and promotion on the popular Aastha channel by the world renowned Yog Guru Swami Ramdevji and an International Authority on Ayurved and traditional herbs Acharya Balkrishanji, it is all about reinventing traditional knowledge of Yog and Ayurved, strengthening the health grid of the nation and the world, mending the environmental imbalance and finally fighting the tirade of western culture on Indian panorama.

Patanjali Ayurved Ltd. is a company that functions like all other companies under the regulations of the company law affairs, yet is constantly striving for nation building more than the profit accumulation. It produces quality Herbomineral preparations. To monitor and maintain the quality, the Divya Yog Mandir Trust and Patanjali Yog Peeth grow many endangered herbs on its farmland. The principles of Good Manufacturing Practices (GMP) are

rigorously followed in the plant and Company prides itself on being environment friendly. A high stress on quality, several quality circles and special quality circles and special project teams working on Total Quality Management (TQM) projects makes quality a way of life in Patanjali Ayurved Limited. This enables Patanjali Ayurved Limited to produce herbomineral preparations with uniform levels of batch-to-batch consistency. This ensures that the customer gets the same high quality product regardless of where it is purchased.

The special equipment required for manufacturing of sterile products (bhasma, ghanstva, eye drop, capsule, etc.) includes component washing machines, steam sterilizers, membrane filter machines, manufacturing vessels, blenders, liquid filling machines, powder filling machines, sealing and labeling machines, vacuum testing chambers, inspection machines, lyophilisers, pressure vessels, etc. are provided depending on the type and volume of activity. Standard operating procedures are available for the equipment for its calibration and operation and cleaning.

As per Wikipedia (2016), Patanjali Ayurveda's annual turnover for the year 2014-15 increased to INR 2500 crore (US\$370 million) as compared to previous turnovers of INR 1200 crore (US\$180 million) (2013-14), INR 850 crore (US\$130 million) (2012-13) and INR 450 crore (US\$66 million) (2011-12). Patanjali Ayurveda has tied up with Pittie Group and Kishore Biyani's Future Group on 9 October 2015. As per the tie-up with Future Group, all the consumer products of Patanjali will be available for the direct sale in Future Group outlets. Future Group sells about INR 30 crore (US\$4.4 million) worth of Patanjali products every month.

Patanjali Ayurved sells through nearly 4000 retail outlets as of 2015. Patanjali also sells its products online and is planning to open outlets at railway stations and airports. Patanjali Ayurveda products are also available in modern trade stores including Reliance retail, Hyper city and Star Bazaar apart from online channels. Defense organization DRDO entered into licensing agreements with Patanjali Ayurveda for transfer of technology.

FMCG companies typically spend 12-20 per cent of revenue on advertising and promotions. When a new company gets into the business, this spending is

significantly higher. Patanjali has followed a unique word of mouth publicity model and the entire revenue is without any advertising. The company is privately held and profitable. The revenue for 2014-15 of Patanjali Ayurved is bigger than Jyothi Laboratories, the maker of Ujaala and Emami. These brands have been in business for decades.

Patanjali clocked revenue of ~INR 20.3bn in FY15 with EBITDA margin of ~20 per cent. The company targets to achieve revenue of INR 50-60bn in FY16. Growth is being driven by the company's largest selling product, cow's ghee (expected to be INR 12bn in FY16) followed by Dant Kanti and Kesh Kanti.

REVIEW OF LITERATURE

Modern Indian medicine provides a space for discussing the articulation of tradition and modernity and is instrumental in expressing Indian ambiguities towards modernity and the West. They are tokens of an Indian modernity in which local and global forms coexist and are interdependent. This should not surprise us as Indian society at large is marked by the entanglement of the modern and the traditional. After all, the people of the Indian subcontinent have a long history of integrating Indian and western ideas, practices and commodities. Hofstede (2001) refers to culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another".

Morris and Avorn (2003) assessed information and indications on 8 best selling herbal products on 5 most commonly used search engines concluded that some herbal products have demonstrated therapeutic benefits and toxic effects; such properties make them similar to prescription and over-the-counter drugs. At the time when increased attention is being focused on the efficacy, safety, and cost of prescription drugs, herbal products should receive the same scrutiny. Bode (2004) advocated that inspiring nationalism should not blind us, however, for the difference between heritage and history, myth and fact; the danger of ignoring this has been driven home to us by attempts to rewrite Indian history with the objective to exclude important sections of Indian society such as Muslims and Christians. However, when used with caution, history and heritage have the capacity to initiate

positive action.

Bode (2006) by looking through the lens of the industry and focusing on medicines, questioned the notion that traditional medicine is largely beyond commerce and is highly sensitive to patients as individual subjects. The profusion of over-the-counter brands thrives on the rise of a rather well-to-do urban consumer class. This section of Indian society can pay for branded products Ayurvedic and Unani firms try to convince consumers to buy their products and 'feel good' as an Indian, no matter whether one is a Hindu or a Muslim. They claim that unlike western, synthetic pharmaceuticals that have many side effects, Ayurvedic and Unani medicines give Indians 'what they really are—their history, their culture and their health'

Sivaramakrishnan (2007) suggested that first half of the twentieth century witnessed the efforts to revive and modernize Ayurveda and Unani Tibb in response to their marginalization by the colonial government and the prioritizing of biomedicine as the state-sponsored system. Banerjee (2008) concluded that deep-rooted cultural diversity and values of a country make it difficult for a marketer to opt for a standardized strategy to outperform competition. It has been found that even after tremendous exposure to globalization, consumers from different cultures have different attitudes, perceptions, tastes, preferences and values, and remain reluctant to purchase foreign products.

Patwardhan & Mashelkar (2009) suggested drug discovery and development should not always be confined to new molecular entities. Rationally designed, carefully standardized, synergistic traditional herbal formulations and botanical drug products with robust scientific evidence can also be alternatives. A reverse pharmacology approach, inspired by traditional medicine and Ayurveda, can offer a smart strategy for new drug candidates to facilitate discovery process and also for the development of rational synergistic botanical formulations. Many analysts believe that the current 'one drug fits all' approach may be unsustainable in the future. Rastogi (2009) recommended that healthcare in India should operate on a need-based strategy. This should evaluate the utility of advancements in health care but simultaneously taking care for not devaluing the essentials of traditional healthcare fundamentals. A serious effort

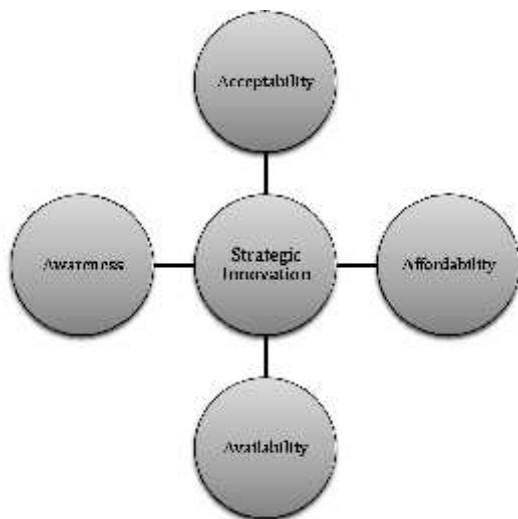
is required to improve healthcare by utilization of traditional skills added with the technological breakthrough made in modern science.

Development of standardized, synergistic, safe and effective traditional herbal formulations with robust scientific evidence can also offer faster and more economical alternatives.

PATANJALI PANACHE

Anderson & Markides (2007) concluded that innovation in developing markets has less to do with finding new customers than addressing issues related to product. In developing markets, innovation is based on four factors: affordability, acceptability, availability and awareness.

Figure 1: A Framework for Strategic Innovation: The Four A's



Affordability is the degree to which company's goods or services are affordable to consumers at the low end of the market. It is fundamental to reaching the new "who" — customers who are non consuming or under consuming due to low incomes. Many consumers in developing markets survive on daily wages, meaning that cash flow is an issue. Companies need to deliver offerings at a price point that enables consumption by even the poorest

consumers. Rivera-Santos & Rufin (2011) established that Bottom of Pyramid (BOP) markets tend to be relatively isolated typically leading to strong local cultures and less contact with national or international consumer habits. These characteristics have important implications for business at the BOP. Specifically, they lead to smaller product sizes and local adaptation. Smaller sizes make products more affordable by providing low price points relative to average incomes, so that customers do not have to disburse a large sum relative to income. Patanjali offers wide spectrum of its products at miraculously low prices and hence has managed to provide its array of herbal products at bottom of pyramid as well as urban consumers.

Acceptability is the extent to which consumers and others in the value chain are willing to consume, distribute or sell a product or service. In markets where consumers have limited resources, the most successful strategic innovators create products and services that are adapted to the unique needs of customers, distributors or both. Companies respond to specific national or regional cultural or socio-economic issues, or address the unique requirements of local business practices. Arnould & Mohr (2005) indicated that brands that have established desired brand equity in the marketplace can have potential to leverage its equity through line extension, brand extension, ingredient branding, co-branding, brand Alliances, and/or social goodwill. Ghodeswar (2008) suggested that to achieve desired goals of their communication strategy, companies have to break the clutter by evolving innovative ways to attract the attention of the target audience. Use of emotions in advertising appeals to the hearts and minds of the consumers. A brand image should be created to establish an emotional relationship with the target audience. Patanjali on one side takes the edge of Brand Baba Ramdev and with beacon of Ayurvedic products it also benefits from the feebleness of chemical based FMCG products.

Availability is the extent to which customers are able to acquire and use a product or service. Distribution channels in developing markets are often fragmented or nonexistent, so basic distribution can be a major hurdle. Strategic innovators are resourceful about distributing or delivering products and services to the most isolated communities. Bureau (2016) revealed that impressed

by growing demand for Patanjali products from its wholesale buyers, the local unit of world's largest retailer, Wal-Mart India, is in talks with yoga guru Baba Ramdev to sell his range of consumer to personal care products across its 20 wholesale cash-and-carry stores in nine states, according to a top executive. Walmart India's move comes close on the heels after the country's largest retailer Future Group signed a pact with Patanjali in October last to sell its products at its Big Bazaar supermarket, and other chain of stores including KB's Aadhaar, and Nilgiris retail outlets spread across 245 cities and towns in the country.

Awareness refers to what customers know about the products or services you sell. Since many poor customers are not reachable by conventional advertising, building awareness can be a challenge. Therefore, companies must learn to use alternative communication modes and methods. Trusov, Bucklin, & Pauwels (2007) with the elasticity results added further evidence for the view that word-of-mouth communication is a critical factor for firms seeking to acquire new customers and that WOM can have larger and longer-lasting effects than traditional marketing activity. Kulshrestha & Kapoor (2012) aforementioned that Baba Ramdev ji is a Yoga Guru, spiritual beacon, Nano-Bio Ayurveda expert, brand ambassador of Indian States, brand ambassador of the UNO mission, political influencer, animation series character, media czar; and is overall a huge brand! It explored the value propositions and the sustainable key differentiators to analyze the brand status and brand strategy of spiritual beacon Baba Ramdev and concluded that there is a strong synergy between image and identity of brand Baba Ramdev resulting in strong personality that offers him a competitive advantage to get across to the consumers. One of the unique selling propositions is the array of products it offers to the customers. The products along with diverse product line, also have a assorted product width. Patanjali operates via following business segments. The product catalogue are given in detail as below:

- Grocery and Staples
 - Dals and Pulses
 - Edible Oil & Ghee
 - Flour / Atta Staples / Spices
 - Juices & Fruit Drinks Sharbat & Squash
- Ready Food Confectionery
 - Snacks & Breakfast

- Sauces & Pickles
- Sweets & Soan Papdi
- Biscuits, Cookies, Candies
- Honey, Papad, Namkeek
- Ketchup, Pickles & Murabba,
- Beverages
 - Squash, Sharbat - Apple, Amla, Litchi
- Personal Care
 - Face Care - Soaps & Hand wash, Face Cream, Lip Care, Face wash, Body Care - Body Wash, Foot care, Lotions
 - Hair Care - Shampoo, Conditioner, Hair Oil, Hair Color
 - Oral Care - Tooth brush, paste
 - Make up - Kajal
 - Shaving and Grooming - Shave Gel, Shave cream
- Health Care
 - Health Drinks
 - Chyawanprash
 - Nutrition & Supplements
 - Digestives
- Households
 - Worship related
 - Cleaning & Washing
 - Herbal Gulal

Patanjali also has new-products that are expected to be launched soon:

- Dant Kanti Advance (already has 3 variants of Dant Kanti toothpaste – Regular, Medicated (similar to sensitive) and Junior).
- PowerVita (will provide competition to all health food drink companies (Mondelez, GSK Consumer) – this product is made up of Ayurvedic ingredients like Brahmi, etc.).
- Sugar Free Chyawanprash (competition to Chyawanprash manufacturing companies like Dabur and Emami).
- Seabuck thorn dietary supplement in collaboration with DRDO (made under a technology-sharing agreement with DRDO (used by army personnel in tough terrains as a source of nutrients)). This product will have richness of all the necessary nutrients and will be made available to civilians).
- Powdered hair dye (the company has a separate unit, Coloroma, which manufactures herbal colours and dyes).
- Divyapay (health drink comparable to tea) in dip-dip format.

- Child range (the company is also planning to launch a children's range under Patanjali which will include products like baby oil, talcum powder, baby soap, shampoo, etc).

CONCLUSION

(Madhavan, 2003) attempts to understand the intricacies of transformation of a knowledge system, its limitations and challenges in the contemporary context, where market is relevant. It also describes

Personal Care					
	Categories	Competition	Patanjali Prices	Other Prices	% Difference
Skin Care	Face Wash	Himalaya	45	55	22%
	Face Cream	Himalaya	75	80	7%
	Face Pack	Himalaya	50	70	40%
	Shave Gel	Gillette	40	79	98%
	Scrubs	Himalaya	50	70	40%
Dental Care	Toothpaste	Colgate	45	50	11%
	Tooth Brush	Colgate	10	25	150%
Hair Care	Shampoo	Himalaya	75	130	73%
	Oil	Dabur	50	330	560%
	Conditioner	Himalaya	60	70	17%
Body Care	Lip Balm	Himalaya	25	30	20%

Others					
	Categories	Competition	Patanjali Prices	Other Prices	% Difference
Nutrition & Supplements	Chyawanprash	Dabur	190	295	55%
	Honey	Dabur	135	199	47%
	Corn Flakes	Kellogg's	85	96	13%
	Noodles	Maggi	15	25	67%
	Oats	Bagrry's	32	43	34%
Health Care	Hand Wash	Dettol	55	86	56%

how Ayurveda has been positioned in the market to reap the benefits, which certainly has emerged and this invites for a deeper and close discussion of what happens to the system, which we knew earlier!

Patanjali's recent experience is an excellent case for analyzing success story of Modern Ayurveda. Patanjali group pertains to challenge most successful conglomerates, and has been driven by multiple factors, including the access to new hidden markets, the opportunity to integrate the values with customized products, and the quest for brand control.

FUTURE RESEARCH IMPLICATIONS

The results have implications for the marketing of herbal products and pushing new and innovative herbal curative products in customer profiles. Future studies can be conducted across the other socio-economic segments, which would help to understand whether there are identifiable clusters across the demographics and their brand loyalty can be assessed. Also longitudinal study can be conducted to check if the customer preferences remain stable or change over the period.

Future research will inevitably focus on detailed case studies of key firms, to analyze a broad variety of issues, from management practices and industrial relations, to the organization of R&D function and innovation. Mimicking the trajectory of the history of industrial nations' business, the issue of hybridization – i.e. the process whereby corporate models, far from converging on a single model, take multiple and diverging roads to innovate and become increasingly open to the global economy – will figure prominently in the research agenda.

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