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Cash to cashless- A paradigm switch

Ms. Soumya Nichani

Analytical study of consumer buying behavior towards online food delivery channels

Dr. Kiran Menghani, Mr. Kashinath Mishra

Rank of India in ease of doing business during period of 2014 to 2018

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A study of changing trends in financing of Cement Industry in India

Dr. Khushpat Jain, Ms. Kruti Aditya Shah



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Editorial...

We are happy to announce the publication of volume 13 issue 2 of the journal, "SFIMAR Research Review" in association with University of Mumbai. This is a half yearly journal with an ISSN number (0975-895X). The Journal is published with an objective to disseminate information based on application in various segments of Management. It is felt that this publication can help in encouraging and promoting indigenous Management Research and Extension activities. It is also considered a platform to share ideas, views and experiences of Management Practitioners, Researchers, and Academicians at National as well as International level.

The current issue of this journal contains five papers on research work done by researchers.

Ms. Soumya Nichani in her paper tries to identify the reasons why cash is the preferred mode of transacting in India and also to suggest few measures that government could take to incentivize the use of cashless modes.

Dr. Kiran Menghani & Mr. Kashinath Mishra in their study highlights the buying behavior and usage rate of food after the use of online order system and also examine the perception of customers towards it.

Mr. Kiran Gajjar in his paper tries to understand the concept of ease of doing business in India. He has also study about initiative taken by government to improve 10 areas of business regulation affecting ease of doing business index.

Ms. Shubhangi M. Kedare in her paper highlights existing higher education system followed by University of Mumbai for commerce stream and suggestions to enhance the quality of higher education.

Dr. Khushpat Jain and Ms. Kruti Shah in their paper attempts to study the capital structure pattern of the selected units of cement industry in India and examine the variations in the leverage ratios of the selected units for the period from 2010 to 2018.

I hope readers will like the contents of the current issue. I thank all the scholars and supporting personnel who made this publication a reality and request everybody to help continue this publication uninterrupted.

Dr. Sulbha S. Raorane
Editor

CASH TO CASHLESS- A PARADIGM SWITCH

* Ms. Soumya Nichani

ABSTRACT

The Indian economy is largely a cash-driven economy with less than 5 per cent of all payments happening electronically. As per RBI Annual Report of 2016-17 the currency in circulation at end-March 2017 was 8.8 per cent of GDP, down from 12.2 per cent in the previous year. Experts believe that high cash to GDP ratio is the biggest impediment in India's march towards becoming a cashless economy. Many reports indicate that India is among the largest users of cash in the world.

A study by Nomura Global research in May showed that cash-to-GDP ratio has jumped back to the pre-demonetisation level of about 11.3 per cent on April 27, 2019 which is nearly close to pre-demonetisation levels.

Apart from the much – talked about benefits of a low cash economy, there is also another side in the shift to a cashless society. The rationale for pushing for cash-less society is having a paper trail for transactions thereby decreasing crime, money laundering, and tax evasion. One mustn't ignore the way this could potentially empower central banking system to have more power in modifying the way people save and spend money. This may lead to policy options such as negative interest rates as a disincentive to save and encourage consumer spending.

There are many challenges in the road ahead like inadequate telecom infrastructure, low rural mobile penetration, large informal labour force, cyber security compromises and high levels of tax evasion. While an Indian 'Cashless' society may definitely seem utopian, a LESS-CASH society seems achievable in the short-term.

Introduction

The Indian economy is largely a cash-driven economy with less than 5 per cent of all payments happening electronically. Paper currency is untraceable, universally accepted and gives a sense of security to the owner.

The chaotic financial situation settled down following the demonetization of 2016 implemented in the cash-dependent economy where about 78 per cent of all Indian customer transactions are done in cash.

More than a year after demonetisation, digital transactions are showing mixed trends — up in some weeks and flat in others. Overall, though, cashless

payments are much higher than in the pre-demonetisation months.

A cashless society describes an economic state whereby financial transactions are not conducted with money in the form of physical banknotes or coins or minimal usage of cash, but rather through the transfer of digital information which is normally an electronic representation of money between the transacting parties.

A cashless economy helps to fight against money laundering as the money flowing through the system can easily be traced. Such a system not only contributes towards reducing corruption but stimulates economic growth as money hidden in other illegitimate areas are freed up for productive investments.

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The Research Problem

According to RBI data, cash accounted for 90 per cent of all monetary transactions in India. Electronic payment systems (eg: NEFT, RTGS) made up a paltry 3.2 per cent of total payments across the country in 2012-13. In fact, even old fashioned cheques accounted for less than 10 per cent of total payments. The number of digital banking customers in India is estimated to be about 100 million. That's a third of the number of bank accounts. But nearly half the Indian population does not have a bank account yet.

According to a report in Live-mint, India has one of the highest cash to gross domestic product ratios in the world, and lubricating economic activity with paper has costs. According to a 2014 study by Tufts University, *The Cost Of Cash In India*, i.e. the cash operations cost the Reserve Bank of India (RBI) and commercial banks incur is about Rs. 21,000 crore, annually. Also, a shift away from cash will make it more difficult for tax evaders to hide their income, a substantial benefit in a country that is fiscally constrained as per a report in live-mint.

A study by Nomura Global research on digital payments in May showed that cash-to-GDP ratio has jumped back to the pre-demonetisation level of about **11.3 per cent** on April 27 this year. "This is close to the pre-demonetisation levels of 11.5-12 percent of GDP," the report has said.

This study is an attempt to understand the trends in this shift to a cashless society post November 2016. The study attempts to understand the usage of cashless modes of payment among the sample selected in the Mumbai Metropolitan area. This research tries to study if there is any association between the usage of cash and demographic characteristics of the consumer like age, gender, profession and monthly income. The Researcher has also tried to study consumer perception of the reasons for opting for cash modes using a Likert Scale.

Aims And/or Objectives Of The Study

Going cashless is a win-win situation for individuals and the country as a whole. It reduces the fake currency risk but also gives rise to other risks such as technology frauds, etc. Economic digitization also increases the government's ability to enhance its taxation systems.

A cashless economy also contributes towards an increased banking culture leading to a saving culture in the unbanked majority in the country. Increased Cashless Payments also contributes in eliminating the bacterial spread through handling used notes and coins. Today, there are more than a dozen ways to pay digitally yet people find reaching out for cash in their wallet the easiest way to pay.

The research study therefore aims:

- i. To identify the reasons why cash is the preferred mode of transacting.
- ii. To bring out correlation between usage of Cash Mode and Cashless Modes (Dependent Variables) and variables like age, profession, gender and monthly income (independent variables).
- iii. To assess the customer trust and confidence in Cashless Transactions.
- iv. To suggest some measures that Govt. could take to incentivize the use of cashless modes.

Conceptual Framework

The variables that influence each component of the research work are detailed out and explained in the conceptual framework

Meaning of a Cashless Society

Wikipedia defines a Cashless Society as a situation in which the flow of cash within an economy is practically non-existent and all transactions must be through electronic channels.

Modes of Cashless Transactions

The various modes of digital payments made available in recent times are;

1. Banking Cards (debit / credit / cash / travel / others),
2. Unstructured Supplementary Service Data (USSD),
3. Aadhaar Enabled Payment System (AEPS),
5. Unified Payments Interface (UPI),
6. Mobile Wallets-Paytm, Freecharge, Mobikwik, Airtel money, Jio money, Itz cash, Citrus pay,

- Vodafone M-pesa, Axis bank lime, ICICI pockets, Speedpay, Google Pay,
7. Banks Pre-paid Cards,
 8. A Point of Sale (POS) is the place where sales are made,
 9. Internet Banking –or Online Banking, E-banking or Virtual Banking,
 10. Mobile Banking - service provided by a bank or other financial institution.

Review of Literature

A short review of the some of the available literature is presented as below:

1. Understanding Cashless Payments in India by B. Mukhopadhyaya (2016) [Mukhopadhyaya Financial Innovation (2016) 2:27]
 This paper has analysed India's transition to a cashless economy and concluded that most growth in cashless payments have been through mobile payment. One key finding of the study was that increase in receipts directly credited to the account leads to a significant increase in cashless payments.
2. Soma, D. (2001). 'Effects of payment mechanism on spending behaviour: The role of rehearsal and immediacy of payment'. Here the author has shown that consumers perceive the purchase or consumption to be cheaper when he/she has more financial resources that are cognitively accessible.
3. Jain, P.M. (2006) in the article —E-payments and e-banking opined that e- payments will be able to check black —An Analysis of Growth Pattern of Cashless Transaction System. Taking fullest advantage of technology, quick payments and remittances will ensure optimal use of available funds for banks, financial institutions, business houses and common citizen of India. He also pointed out the need for e-payments and modes of e-payments and communication networks.
4. Prof. Vaibhav Shahaji Patil & all in their research paper – 'A Study To Find Out Advantages And Disadvantages Of Making India A Cashless

Economy' conclude that India is lagging far behind many developed countries such as Belgium, France, Canada, USA, UK, Saudi Arab etc. in implementing cashless transactions. In Belgium, France, and Canada over 90 per cent of consumer payments are made via cashless modes. In India only 2 per cent of all transactions are cashless by volume and 20 per cent by value. Even pay points for digital transactions per million people are significantly low for India.

The research paper suggests governmental initiatives such as improvement in awareness of digital / electronics payment, technological developments in prompt transfer of funds to make cashless economy a success. Government should first ensure availability and quality of telecom network in all parts of country. Financial institutes or intermediaries such as banks and related service providers will have to constantly invest in technology in order to improve security and ease of transaction. People as customers will only shift when it's easier, certain and safe to make cashless transactions. Government should adopt strategy of incentivizing cashless transactions and discourage cash payments.

Research Methodology

A. Sources of Data

The present paper is based on Primary Data and extensive review of journals, internet sites, and media reports. The literature study on the economic impact of cashless systems has been done. The situation prevalent post the demonetization has been studied.

Primary Sources: Primary Data for the study has been collected using convenience sampling method, in Mumbai Metro region. A total of 120 employed persons and professionals have been surveyed. Questionnaire is the data collection instrument, with questions on demographics, awareness; usage of cashless modes and perceived benefits of a cashless economy. After a proper evaluation, the data has been analysed with the help of CHI-SQUARE TEST and presented in tables and graphs which are further interpreted.

B. Research Design

A research design is the set of methods and procedures used in collecting and analysing measures of the variables specified in the research problem.

The current research is descriptive and exploratory in nature.

The current study is descriptive as it is trying to describe the characteristics of the sample being studied.

The Independent Variables of the Study are Cash Modes and Cashless or E-Modes. The Dependent Variables are demographic in nature being age, profession, monthly family income and gender. The hypothesis for the current study has been developed to explore the potential relations between these variables.

C. Hypothesis

The Independent Variables of the Study are Cash Modes and Cashless (E-Modes).

The Dependent Variables are Age, Profession, Monthly Family Income and Gender.

The Null Hypothesis:

H_0 : There is no significant association between usage of cash and the demographic characteristics of a person.

The Alternate Hypothesis:

H_1 : There is a significant association between usage of cash and the demographic characteristics of a person.

The above hypothesis has been tested based on data analysis. On the basis of the results either the null or alternate hypothesis will be accepted or the other will be rejected.

D. Sampling and Sample size

The Periphery of the research is Mumbai region. People in the age groups starting from 20 onwards have been surveyed.

Sampling method to be followed is simple random & convenience sampling.

Sample Size			
No	Category	Sub-Category	No Of Respondents
1	Salaried Persons	Salaried /Corporate Employees	Total : 98
2	Self-Employed	Professionals /Businessmen, Traders	Total : 22
	TOTAL		120

Limitations of the Study

1. The study is based on primary data of 120 respondents. Size of the sample can be construed as a limitation of the study.
2. The periphery of the research is Mumbai region, hence responses from rural areas could not be studied and this perspective is therefore missing in the current study.
3. The study is also limited by the fact that the respondents may not have given honest answers

about their usage of cash or their cash incomes which no doubt could have led to erroneous responses on their part.

Analysis of the Mode of Payment used by Consumers

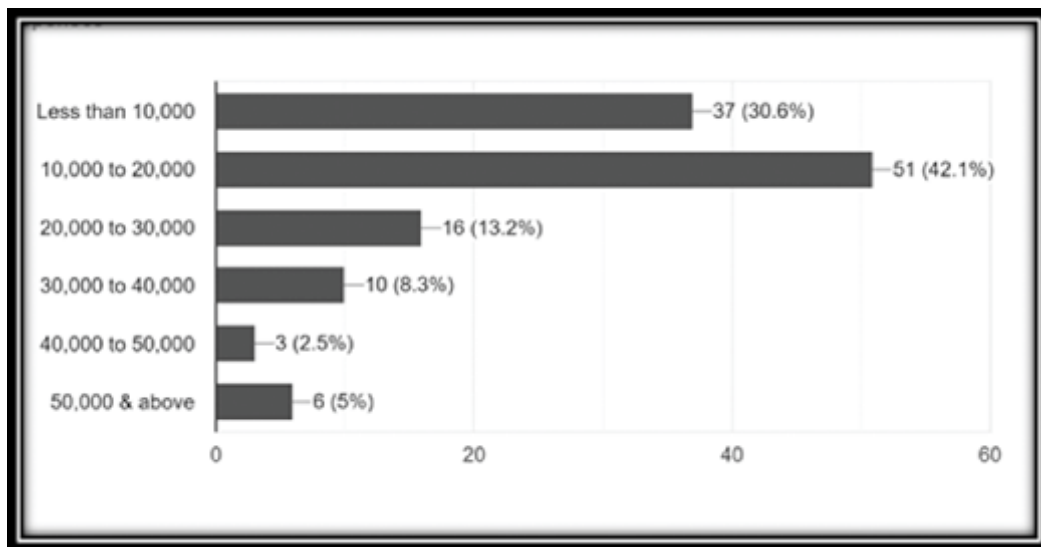
An attempt was made to collect data from persons who spend money on their daily essentials as well as for other requirements.

Table 1.1
Frequency of usage of E-modes of Payment

Sr. No.	Frequency of Usage	Frequency	Percentage
1	Daily	24	20.00
2	Twice a Week	44	36.67
3	Once a Week	20	16.67
4	Twice a Month	14	11.67
5	Once a Month	07	5.836
6	Very Rarely or Almost Never	11	9.17
	TOTAL	120	100.0

Source: Compiled from primary data collection 2018-2019
From the above table once can safely conclude that usage of e-modes of payment is definitely on the rise.

Graph 1.1
Quantum of Cash withdrawal in a Month



1. Testing of Hypothesis

The Null Hypothesis:

H_0 : There is no significant association between usage of cash and the demographic characteristics of a person.

The Alternate Hypothesis:

H_1 : There is a significant association between usage of cash and the demographic characteristics of a person.

There was an attempt to evaluate the responses of the people surveyed by setting and testing the hypothesis with the help of chi-square technique. The hypothesis stated that there is no significant association between usage of cash and the demographic characteristics of a person.

It was felt that the demographic characteristics of a person could influence the level of spending that he or she does in cash. Hence to understand the association between the demographic characteristics and the level of cash spending, the hypothesis was set up and attempted to test it using the chi-square test.

Table 1.2
Testing of Hypothesis 1

Sr. No.	Variable	Pearson Chi-Square value	(A/R)
1	Profession	0.964	R
2	Age	0.163	R
3	Monthly Family Income	0.676	R
4	Gender	0.134	R

Source: Compiled from primary data collection 2018-2019
(I-Interpretation, A-Accepted, R-Rejected)

At 5 per cent level of significance, the level of significance calculated for profession age, monthly family income and gender are at 0.964, 0.163, 0.676 and 0.134 respectively, which is greater than 0.05. Hence at 5 per cent level of significance, the hypothesis is accepted when compared with profession, age, family income and gender. Therefore it is understood that there is no significant association between the usage of cash and the profession, age, family income and gender of the consumers.

Consumer perception of credit card usage

Measuring consumer perception levels is not easy, neither for cashless modes such as plastic money comprising credit and debit card. The Likert Scale is a 5- or 7-point scale that offers a range of answer options — from one extreme attitude to another, like “extremely likely” to “not at all likely.” Typically, they

include a moderate or neutral midpoint. An attempt was made to judge consumer perception using a 5 – point Likert Scale.

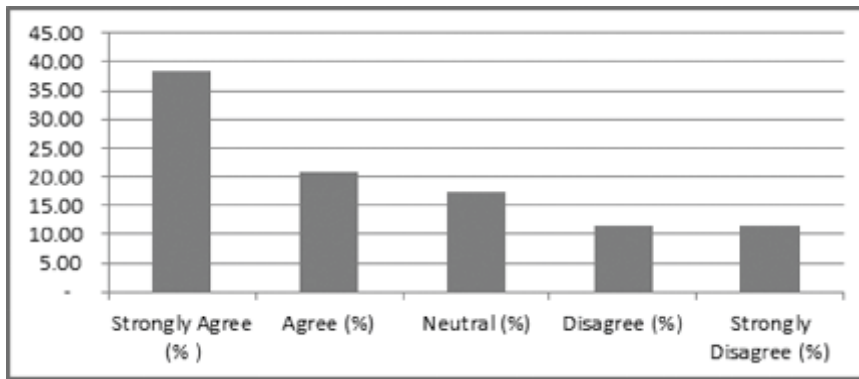
1 Reason for using Cash for expenses.

Respondents were asked the reasons why they used CASH for majority of their expenses. The options given to them were:

1. Convenience.
2. Extensive Reach.
3. High Default Interest Cost in case of Credit Cards.
4. No Risk of Overspending.
5. No risk of Card Frauds.

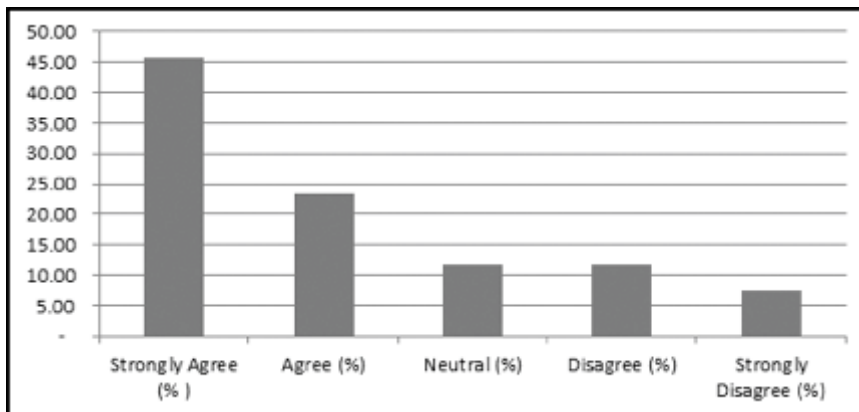
For each of these reasons, the respondents were asked to give a rating on a 5 –point Likert Scale ranging from Strongly disagree to strongly agree. The results are graphically shown as below:

Graph 1.3
Convenience is the main reason why cash is preferred



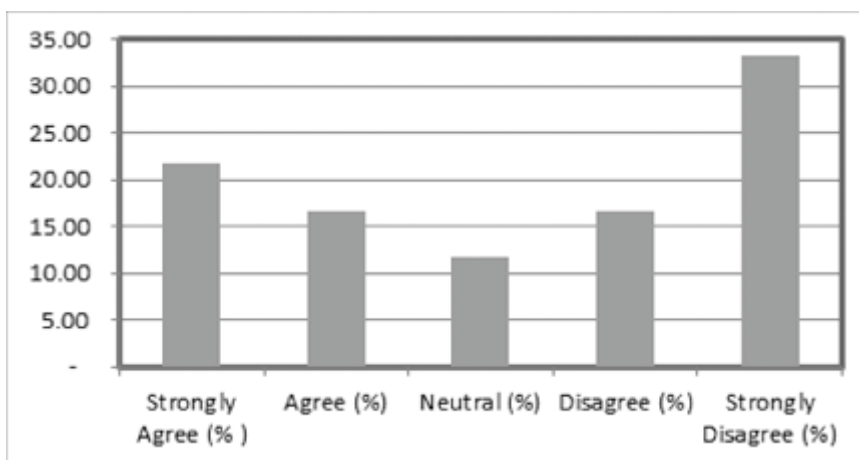
Source: Compiled from primary data collection 2018-2019

Graph 1.4
Extensive reach is the main reason why cash is preferred



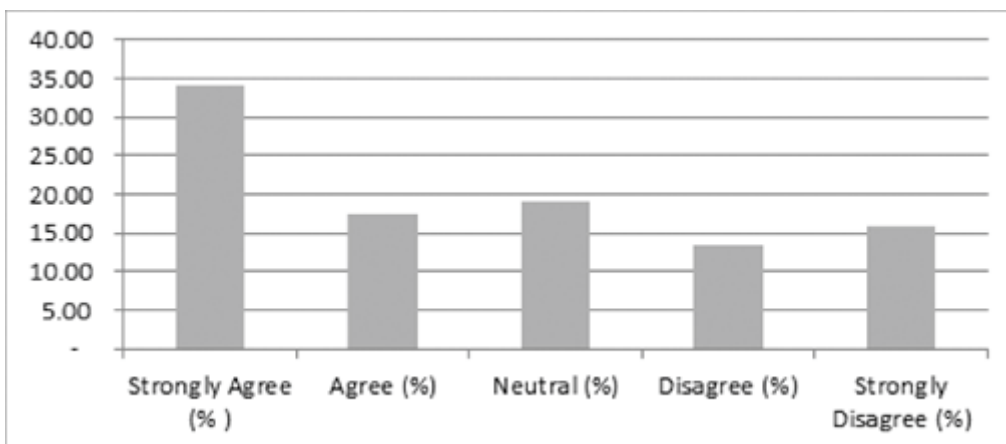
Source: Compiled from primary data collection 2018-2019

Graph 1.5
High default interest cost is the main reason for using cash



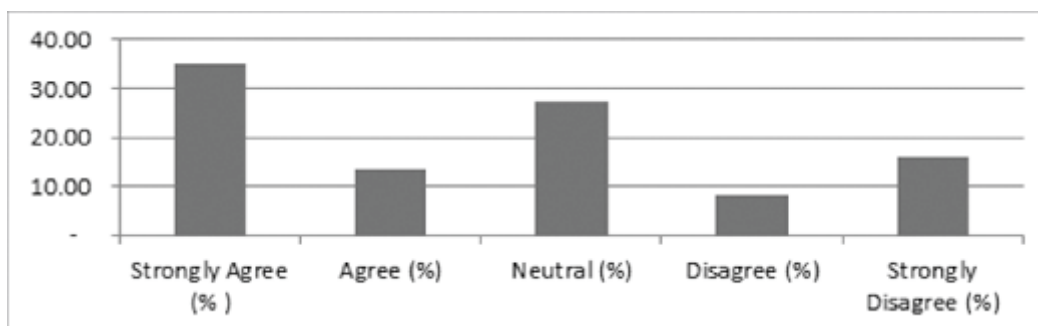
Source: Compiled from primary data collection 2018-2019

Graph 1.6
No risk of overspending is the main reason to prefer cash



Source: Compiled from primary data collection 2018-2019

Graph 1.7
No risk of Card Frauds is the main reason why cash is preferred



Source: Compiled from primary data collection 2018-2019

From the above graphs, one can infer that:

- Convenience is the main reason for using cash with 38 per cent respondents strongly agreeing to it.
- 46 per cent respondents strongly agree to fact that cash provides extensive reach.
- Reluctance to use credit cards due to high default cost does not seem to be a main reason for using cash.
- Majority (34 per cent) of the respondents feared overspending in their minds as well as the risk of card frauds and hence preferred cash instead.

2. Major Concerns of Consumers with regard to cashless modes.

The Likert Scale was used to gauge the major concerns of consumers when it came to using cashless modes of payment. Here again the responses were collected from strong agreement to strong disagreement.

Here one can infer that risk of cyber frauds is perceived very strongly by majority of respondents. Technology does not seem to be a barrier for most in the sample surveyed.

Most people surveyed are neutral with respect to the extra service charges and limited acceptance of cashless modes.

Table 1.4
Major concerns regarding cashless modes

Concern	Strongly Agree (per cent)	Agree (per cent)	Neutral (per cent)	Disagree percent)	Strongly Disagree
Risk of Cyber & Credit Card Frauds	44	22	20	7	8
Slow or Bad internet connections	31	23	24	10	12
Not comfortable using Technology	7	7	16	17	54
Extra Service Charges	24	19	30	13	13
Limited acceptance of Cashless modes	21	25	28	15	12

Source: Compiled from primary data collection 2018-2019

Conclusions

1. As stated earlier, from the responses of the sample selected and applying statistical test of hypothesis, it was concluded that there is no significant correlation between the demographic variables of a person and the level of cash usage by him.

Behavioural change of the consumers from using cash as a medium of exchange to using other cash substitutes both for making and receiving payments is a major challenge. They have to move from tangible means to intangible forms of payments and receipts.

2. Digital payments are prone to frauds like cloning and other cyber frauds. Indian customers also need to be educated for such eventualities and also the processes for easy redressal. The above concerns point to the need for improving security mechanisms, guidance on using cashless modes and security safeguards, awareness on the use of mobile wallets as some measures from the consumers perspective.
3. Cash might be more expensive from the point of view of the government but digital is very expensive for citizens. Transactions done in cash are more convenient for a customer and is also less costly than cashless mode. So, in other words

a shift from cash to cashless also involves a shift of cost from governments to common man or the end customer. Due to the massive collection of data, data privacy issues from the point of view of a common citizen cannot be ignored.

Suggestions

1. An important issue here is that people must be allowed to decide for themselves after weighing the pros and cons of cashless modes. An incentive structure for such a switch over needs to be formulated which involves making cash more expensive than cashless. Establishing secure and resilient payment interfaces which include better defence mechanisms against cyber-attacks, data protection, tackling privacy matters and continuous monitoring will encourage more and more consumers to explore cashless options.
2. As the largest beneficiaries of this digital transformation, banks and related service providers would have to make massive investments in technology to constantly improve security features and facilitate ease of transactions.
3. The government has a major role to play by creating conditions that give an impetus to cashless transactions. It needs to come out with

ways to incentivise cashless transactions and discourage cash payments and receipts.

4. The banking system needs to give its customers much-needed clarity on extent of liability and legal recourse available to them in cases of cyber frauds. The system also needs a fair and speedy dispute resolution mechanism. Insurance cover must be introduced to cover genuine customers from the financial liabilities of cyber fraud.

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ANALYTICAL STUDY OF CONSUMER BUYING BEHAVIOR TOWARDS ONLINE FOOD DELIVERY CHANNELS.

***Dr. Kiran Menghani, **Mr. Kashinath Mishra**

ABSTRACT

With the growth in ecommerce and its resultant revolution in the economy, the dimensions and nature of online trade and business have changed and increased by leaps and bounds in the present time. The present scenario reflects the adoption of online platforms for all the core activities of the business. The quick service restaurants were mainly responsible for the adoption of online food order system and as a consequence, the larger section of food business which were facing limitations in dispatching the delivery, this shortcoming became the opportunity for online food delivery companies like swiggy and zomato and they started practice of delivering food by connecting the large range of restaurants which lacked the delivery wing and the customer who want to order food anytime, anywhere and from any place. The new concept ATF i.e Any time food from anywhere came into operation as online operations with respect to order placing has begun. The present study highlights the buying behavior and usage rate of food after the use of online order system and also examine the perception of customers towards it.

Keywords: Online food delivery system, Customer preference, swiggy, zomato

Introduction

B2B and B2C business has seen tremendous growth in all the areas of business. In the food and beverages industry, the online food orders have increased the extensivity and approachability of business by far and wide. But as there was advancement in the business models of food and beverages business, the service sector comprising of restaurants and their home delivery or parcel system also presented an opportunity to third party delivery partners who actually took away TAKE AWAY service of these restaurants and cafes.

Considering the basic three models of online food business namely:

I. The Order Only Model: Restaurants with their own kitchen but delivery is undertaken by third parties which is usually a company which manage others orders also online.

II. The Order and Delivery Model: Restaurants with their kitchens and delivery staff appointed or outsourced by them which is only linked to the restaurant.

III. The Fully Integrated Model: All Insourced kitchen and delivery system in the restaurant.

The first model provided opportunity for businesses and companies like swiggy, zomato, foodpanda, ubereats etc. As these companies are third party delivery partners for many restaurants and QSRs with which these are in business and commission sharing clauses. The main USP i.e. unique selling proposition of such delivery partners is that they operate through their websites and apps and secondly they connect large chunk of restaurants with the customers which are not able to manage take aways. In addition to it, they provide delivery of food anytime and anywhere due to the technological support and widespread of

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franchisee business of managing the delivery boys and girls who work for them.

Advantages of third party delivery partners to restaurants:

- 1) Increase in business
- 2) Web based or app based services
- 3) Delivery gets outsourced so delivery cost goes down.
- 4) Reputation gauge

Advantages of third party delivery partners to customers:

- 1) Anytime, anywhere food.
- 2) Easy and quick availability of food
- 3) Connects with large number of restaurants.
- 4) Gifts and coupon offers available
- 5) Mobile app based services.

Advantages of third party delivery partners to its franchisee networks:

- 1) Provision of employment to large number of delivery boys and girls in different locations
- 2) Opportunity of self employment to people who can come forward and manage their franchisees.
- 3) Raising income and standard living of people.

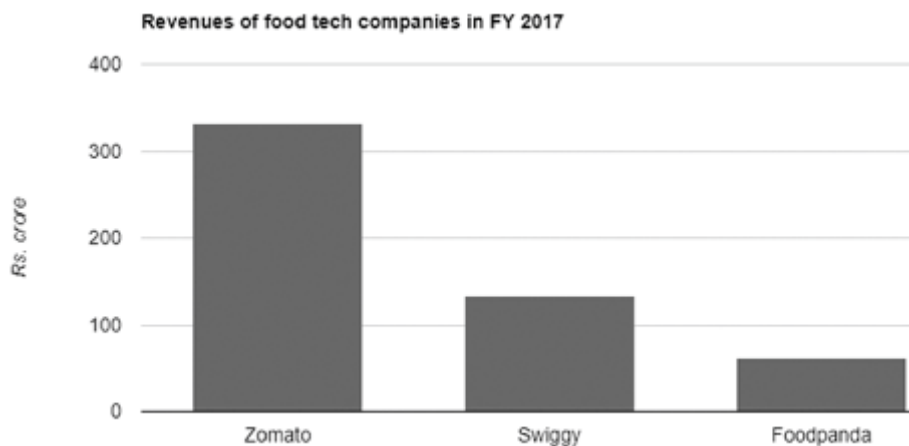
In Mumbai, there are several online food delivery partner companies running successfully and providing efficient services to working group especially who belong to youngster category. The popular ones which follow online food ordering platforms. They act as a platform between customers and restaurants. Customers who connects with them for online search

for restaurants and place the order with their chosen restaurant through the delivery partners like swiggy, zomato etc. They may pay through online or opt for COD (cash on Delivery).

Zomato is one of the most popular applications for food service in India. It is more sort of food service rather than a food delivery app due to the fact that it provides wholesome information too. It lets user share their feedbacks about a place where they had been to different restaurants, follow other users, book tables, display menus, place a food order and much more. Zomato has a wide variety and range of selection of food places to order from in most cities and towns.

Swiggy is a dedicated food delivery app serving multiple cities in India. They have several restaurants on their panel from which the company's own delivery personnel go and pick up the food and deliver it to you. The app enables live tracking the status of your food delivery to having food from a far distance restaurant delivered to your home or office. Swiggy often keeps providing with discount offers and coupons to its regular users which saves them a few extra money on their next orders.

Foodpanda has a good database of restaurants from which users can order their food. The users setup a profile within the app which allows them to save multiple addresses and bookmark their favourite restaurants they like to order from. On Foodpanda users will invariably and often provided a coupon they can use or a discount that will bring the amount of money they spend on an order down.



Source: <https://officechai.com/startups/zomato-foodpanda-swiggy-revenue-loss-comparison/Foodtech reports 2017>

Objectives of the study

- 1) To know about the preference of customers towards different online food delivery companies.
- 2) To compare the socio economic status and the usage rate of online food orders.
- 3) To evaluate the different attributes of online food order system.
- 4) To examine the role and operations of swiggy, zomato and foodpanda in the food business.

Purpose of the study

The purpose is to study the change in buying behavior of food and also to know perception towards online food order system with special reference to operations of online food delivery companies like swiggy and zomato in Mumbai area so that the very perspective and success of online food delivery system to be known and could be correlated with the popularity of such online food orders among youngsters group.

Review of Literature

Guo (2011) in his research on —Factors influencing consumer purchase behaviours in cyberspace|| brings forth concept of online shopping. We need to understand how to identify the relative implication of all influencing factors of online customer’s buying behaviours. Darshan (2011) explained the —Customer acceptance towards internet shopping India which impact on shopping orientation due to knowledge and security, it is also help to understand the trends of internet shopping in India. This work helps in constructing variables for online shopping behaviour. Dashaputre et al. (2012) in their research on a study of the growth of internet marketing in Indian scenario in the field of Internet Marketing which assists in identifying the factors of online marketing.

In the paper “Implementing Customizable Online Food Ordering System Using Web Based Application”, International Journal of Innovative Science, author Varsha has emphasized on Customer using a Smartphone is considered as a basic assumption for the system. When the customer approach to the restaurant, the saved order can be confirmed by touching the Smartphone. The list of selected preordered items shall be shown on the kitchen screen, and when confirmed, order slip shall be printed for

further order processing. The solution provides easy and convenient way to select pre-order transaction form customers.

In research paper “Design and Implementation of Digital dining in Restaurants using Android”, International Journal of Advance Research in Computer Science and Management Studies 2014, researchers have focused on design and implementation of digital dining in restaurants using android technology. This system was a basic dynamic database utility system which fetches all information from a centralized database. Efficiency and accuracy of restaurants as well as human errors were improved by this user-friendly application. Earlier drawbacks of automated food ordering systems were overcome by this system and it requires a onetime investment for gadgets.

Research Methodology

The research is based on the primary data. In order to understand B2B and B2C business, the data is collected from swiggy franchisee delivery chains through the interview method and youngster group of Mumbai suburbs through a questionnaire tool. Secondary sources like important books based on online food business are referred and websites and mobile apps of swiggy and zomato are also visited.

Sample

Convenient sampling and quota sampling as non-probability methods of sampling is used in the study. Convenient sample in case of teenagers and quota sampling where the swiggy delivery was optimum

Hypothesis

- 1) H0 - There is no association between Age and Preference towards online food delivery system.
H1 - There is no association between Age and Preference towards online food delivery system.
- 2) H0 - Attraction of offers like coupons & discounts, Cash on delivery(COD) is predominant reason for use of online food orders by youngsters.
H1 - Attraction of offers like coupons & discounts , Cash on delivery(COD) is not predominant reason for use of online food orders by youngsters.

Findings of the study

In the present study, the likert scale with few multiple choice questions was provided to the youngster group specifically the teenagers who belong to college going or working group. The demographic components used are age, Income, status, and residential locations like

rural, urban, suburbs etc. Their preference towards the online food ordering system and the frequency of purchase and changed buying behavior with respect to offers of third party delivery partners were provided. Approximately, 150- 200 sample respondents views were gathered about their perspective towards online food shopping.

Profile of the Respondents

Table 1.1 Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10-20	82	58.2	58.2	58.2
	20-30	45	31.9	31.9	90.1
	30-40	9	6.4	6.4	96.5
	above 40	5	3.5	3.5	100.0
	Total valid cases	141	100.0	100.0	

Source :- Surveybased

Table : 1.2 Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	1	.7	.7	.7
	Home maker	4	2.8	2.8	3.5
	Student	111	78.7	78.7	82.3
	working group	25	17.7	17.7	100.0
	Total valid cases	141	100.0	100.0	

Source :- Surveybased

Table :- 1.3 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	77	54.6	54.6	54.6
	Male	64	45.4	45.4	100.0
	Total valid cases	141	100.0	100.0	

Source :- Surveybased

Table :- 1.4 Residential location

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Metro city	61	43.3	43.3	43.3
	Rural	7	5.0	5.0	48.2
	Suburb	73	51.8	51.8	100.0
	Total valid cases	141	100.0	100.0	

Source :- Survey based

The study also identified factors associated with using online food ordering services. Respondents were asked about online interpersonal influences using a 5-point Likert scale and Likert scale variables are:

- 1) online food delivery system is more convenient system for working group of people
- 2) Swiggy is more popular brand than others
- 3) Time and Energy gets saved by ordering food online.
- 4) Metropolitan city lifestyle is responsible for boom in online food ordering system
- 5) I get attracted towards the incentives like coupons and discount schemes, so I order food online.
- 6) Delivery becomes quick and convenient in case of online orders.
- 7) COD i.e. Cash on delivery is the most convenient mode of payment in case of online food orders
- 8) Taking Franchisee of Swiggy is very good form of self Employment available for youngsters.

Table 2: Reliability Analysis of Likert scale questions/ Variables:

Scale Reliability Statistics							95% confidence interval	
	mean	sd	Cronbach	Gutmann's	Mcdonalds	Greatest lower bound	lower	Upper
Scale	3.656	0.187	0.851	0.849	0.856	0.861	0.810	0.885

Source- Self Compiled

Table 3. Correlation of variables:

Variables	Tests	Variable 1	Variable 2	Variable 3	Variable 4	Variable 5	Variable 6	Variable 7	Variable 8
online food delivery system is more convenient system for working group of people	Pearson Correlation	1	.222*	.556**	.426**	.438**	.510**	.398**	.493**
	Sig. (2-tailed)		.011	.000	.000	.000	.000	.000	.000
	N	135	130	132	132	131	132	132	130
Swiggy is more popular brand than others	Pearson Correlation	.222*	1	.353**	.245**	.279**	.167	.153	.378**
	Sig. (2-tailed)	.011		.000	.005	.001	.059	.083	.000
	N	130	131	129	129	129	129	129	128
Time and Energy gets saved by ordering food online.	Pearson Correlation	.556**	.353**	1	.512**	.593**	.584**	.483**	.552**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	132	129	133	132	131	132	132	130
Metropolitan city lifestyle is responsible for boom in online food ordering system	Pearson Correlation	.426**	.245**	.512**	1	.414**	.415**	.464**	.384**
	Sig. (2-tailed)	.000	.005	.000		.000	.000	.000	.000
	N	132	129	132	133	131	132	132	130
I get attracted towards the incentives like coupons and discount schemes, so I order food online.	Pearson Correlation	.438**	.279**	.593**	.414**	1	.401**	.493**	.378**
	Sig. (2-tailed)	.000	.001	.000	.000		.000	.000	.000
	N	131	129	131	131	132	132	132	131
Delivery becomes quick and convenient in case of online orders.	Pearson Correlation	.510**	.167	.584**	.415**	.401**	1	.418**	.513**
	Sig. (2-tailed)	.000	.059	.000	.000	.000		.000	.000
	N	132	129	132	132	132	133	133	131

COD i.e. Cash on delivery is the most convenient mode of payment in case of online food orders	Pearson Correlation	.398**	.153	.483**	.464**	.493**	.418**	1	.394**
	Sig. (2-tailed)	.000	.083	.000	.000	.000	.000		.000
	N	132	129	132	132	132	133	133	131
Taking Franchisee of Swiggy is very good form of self Employment available for youngsters.	Pearson Correlation	.493**	.378**	.552**	.384**	.378**	.513**	.394**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	130	128	130	130	131	131	131	131

Source- Self Compiled

Table 4: Age and Likert scale variable No. 4.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.466a	12	.059
Likelihood Ratio	22.185	12	.036
N of Valid Cases	132		

Source- Self Compiled

Table 5: Age and Likert scale variable No. 7.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.518a	12	.058
Likelihood Ratio	24.441	12	.018
N of Valid Cases	133		

Source- Self Compiled

Interpretation of Data and statistical tooling of data

As the statistical methods used were reliability test for likert scale analysis and the cronbach value is 0.851 and any value more than 0.7 is considered to be internal consistency in groups. Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. So, the reliability is tested by the internal consistency measure as $0.8 \leq \alpha < 0.9$ is considered good.

Age is predominant demographic component which directly associated with the attractions of online delivery partners offers and incentives. Mostly in the study, it is found that teenagers oftenly get influenced by the captivating websites and apps where there is continuous coupons and discounts available for providing online orders. Therefore, the Null hypothesis is rejected and many teenagers were found to be only providing online orders as they once ordered, their name gets registered on online panel or portal and they get discounts and other offers on their online food orders. The very success of these third party delivery

partners is the use of mobile apps and attractive websites through which they continuously track their once made customers. So, moreover, food which was considered as necessity and need based, is also functioning on the basis of marketing incentives. Swiggy is considered to be one of the popular company which have its delivery chains via franchisee system in various towns and cities. Also the metropolitan cities and working groups are mainly responsible for more often use of online food portals of swiggy and zomato. Students group is in was greatly influenced by online interactions, especially by peers. These are expected findings which can be explained by high interact-ability that has been brought by the Internet especially mobile apps. When peers share, post illustrating pictures or reviews about food products on social media about the offers and incentives, those who are more easily influenced by others would trust their friends' selection and experiences and rest is the history.

Users were significantly more likely to say that they would use frequently online ordering food

- Nearly 90 percent used websites and mobile apps of swiggy and zomato
- Respondents were significantly more satisfied with online food ordering with discounts and coupons.
- Working groups and college students were more prone to online orders
- Swiggy is more popular for online orders whereas Zomato for reviews and feedback
- Respondents between the ages of 10-30 years ordered electronic food more.
- The analysis found that there was lot of demand on cash on delivery
 - Start ups like delivery partnering attracted the young crowd and motivated them for self employment.
 - Analysis also found that consumers ranked convenience in terms of online food shopping.

Conclusion

The chief reason of online food order in international Book House Pvt Ltd, g is convenience. The single most important attribute of online food ordering is offers and mobile apps system. This study found that online food

ordering is reasonably popular among the residents of Mumbai city. Working group and college going students more rely nowadays on third party delivery houses like swiggy and zomato. This study has shown that repetitive orders backed by offers and convenience are keys to customer use of online ordering which leads to higher satisfaction. Consumers nowadays are more appreciate the online food order system because of ease in connectivity with the restaurants which do not have their own delivery system so for them Take away is no problem. Young customers are more likely to use online, mobile or text ordering. Young customers place a greater value on convenience, speed and offers than older users do .

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RANK OF INDIA IN EASE OF DOING BUSINESS DURING PERIOD OF 2014 TO 2018

***Mr. Kiran Gajjar**

ABSTRACT

Today, India is the one of the fastest growing economies in the world. The Government of India has under taken various measures to improve position of India in Ease of Doing Business. The emphasis has been on rationalization and simplification of the existing laws and utilization of ICT (Information and Communication Technology) to make governance more efficient and effective. Initiative of Indian Government improved rank of India in the Ease of doing Business Index from 142 in 2014 to 100 in 2017 and 77^t in 2018. The World Bank released its latest Doing Business Report (DBR, 2019) on 31-10-2018. India has recorded a jump of 23 positions against its rank of 100 in 2017 to be placed now at 77th rank among 190 countries assessed by the World Bank. India's leap of 23 ranks in the Ease of Doing Business ranking is significant considering that last year India had improved its rank by 30 places, a rare feat for any large and diverse country of the size of India. As a result of continued efforts by the Government, India has improved its rank by 53 positions in last two years and 65 positions in last four years. This research has been conducted to assess the improvement in the ease of doing business in the country. The scope and relevance of the research pertains to know the co-efficient of success in ease of doing business. The survey pertains to analyse the impact of dynamic policy reforms undertaken by the government at the ground level.

Introduction

Success of Prime Minister Mr. Narendra Modi can be judged by-- Ease of Doing Business. Government of India has launched several economic and social programs such as Make in India, Housing for all by 2022 and smart cities with the aim to transform and empower India economically and generate jobs for its young population. The Make in India program launched by Prime Minister Mr. Narendra Modi in September 2014, recognise ease of doing business as the single most important factor to promote entrepreneurs and to simplify cumbersome process for every day basic service. The World Bank's annual report on ease of doing business bank on number of categories to calculate rank of ease of doing business. In 2017, India's ranking moved up to 100th rank and

further to 77th rank in 2018. The government has aimed to bring India to 50th position in Index for Ease of doing businesses.

As a result of continued efforts of Indian Government, India's rank has improved as follows:

Year	2014	2016	2017	2018
Overall rank	142	130	100	77
DTF	53.97	56.05	60.76	67.23

Source : <http://pib.nic.in/newsite/PrintRelease.aspx?relid=184513>

**(Press Information Bureau Government of India
Ministry of Commerce and Industry)**

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Research Methodology

Research is based on secondary information. The sources used to gather secondary information are reports, research papers, journals and the websites.

Objectives

1. To understand the concept of Ease of Doing Business with special reference to India.
2. To study 10 areas of business regulation considered for ranking the country in Ease of doing Business Index.
3. To Study initiative taken by Government under prime minister ship of Shree Narendra Modi to improve 10 areas of business regulation affecting Ease of doing Business Index.

About Ease of Doing Business

The Ease of Doing Business (EODB) index is a ranking system established by the World Bank Group. Economies are ranked on their ease of doing business from 1–190. A high ease of doing business ranking means the regulatory environment is more conducive to the inception and operation of a local firm. The rankings are determined by sorting the aggregate distance to frontier scores on 10 topics, each consisting of several indicators, giving equal weight to each topic.

India – Ease of Doing Business Ranking

Among the chosen 189 countries for this index, India was ranked 134 in 2015 on the World Bank's Doing Business index. Since then there has been a remarkable improvement.

Since 2014, the Government of India launched an ambitious program of regulatory reform aimed at making it easier to do business in India. The program represents a great deal of effort to create a more business-friendly environment.

The efforts have yielded substantial results with India jumping 4 places on the World Banks' Doing Business rankings.

Positive changes have led to this impressive improvement in India's ranking on the EODB index:

- Starting a Business: India's ranking on this parameter has improved from 164 in 2015 to 155 in 2016. This improvement has been mainly on account of decrease in number of procedures and time taken to start a business in India.
- Getting Electricity: India's ranking on this parameter has improved from 99 in 2015 to 70 in 2016. The number of days taken to get a permanent electricity connection for a business is just 53 days, which is less than the average time taken in South East Asian and OECD member countries.

Apart from the above-mentioned parameters, India fairs particularly well in terms of 'Protecting interests of Minority Investors' where it ranks 8th among the 189 countries that are part of this index.

10 areas of business regulation affecting index ranking

The research presents aggregates information from 10 areas of business regulation:

- Starting a Business
- Dealing with Construction Permits
- Getting Electricity
- Registering Property
- Getting Credit
- Protecting Minority Investors
- Paying Taxes
- Trading across Borders
- Enforcing Contracts
- Resolving Insolvency

Rankings and weightages on each of the above mentioned parameters are used to develop an overall EODB ranking. A high EODB ranking means the regulatory environment is more conducive for starting and operating businesses.

The changes in six indicators where India improved its rank are as follows:

Sr. No.	Indicator	2017	2018	Change
1	Construction Permits	181	52	129
2	Trading Across Borders	146	80	66
3	Starting a Business	156	137	19
4	Getting Credit	29	22	7
5	Getting Electricity	29	24	5
6	Enforcing Contracts	164	163	1
	Overall rank	100	77	23

Central Government Initiatives**Starting a business**

1. Incorporation of a company reduced to 1 day instead of 10 days.
2. The requirement of Common company seal is eliminated.
3. Validity of industrial license extended to 7 years from 3 years.
4. Introduction of Form -29 by MCA. With this form three processes such as Name Availability, Director Identification Number and Incorporation of Company are clubbed into one. The company can be registered within 1-2 working days in India.
5. The provision is in place for getting PAN and TAN in T+ 1 day using digital signature.
6. ESIC and EPFO are completely online with no physical touch point for registration or document submission.

Dealing with construction permits

1. Municipal Corporations of Delhi as well as Municipal Corporation of Greater Mumbai have introduced fast track approval system for issuing building permits with features such as Common application form, provision of using digital signature and online scrutiny of building plans.
2. Delhi has a uniform building bye-laws, 2016 which allows for risk-based classification regimes for different building types. The uniform

building bye-laws have provision for deemed approval of sanctioning building plans within 30 days.

Trading Across Borders

1. Number of documents for exports and imports reduced from 11 to 3.
2. The Central Board of Excise and Customs (CBEC) has implemented 'Indian Customs Single Window Project' to facilitate trade. Now importers and exporters can electronically lodge their customs clearance documents at a single point only with the customs.
3. The number of mandatory documents required by customs for import and export of goods have been reduced to three viz. Bill of Lading, Invoice cum Packing List and Import Declaration.

Enforcing Contracts

1. The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 has been enacted. The Commercial Courts and Appellate Divisions have already been established in Delhi and Bombay High Court.
2. National Judicial Data Grid (NJDG), http://njdg.ecourts.gov.in/njdg_public/main.php provides case data including case registration, cause list, case status and orders/judgements of courts across the country and District-wise. NJDG was opened to general public on 19th September, 2015.

Getting Electricity

1. In both Delhi and Mumbai, the distribution companies have stipulated that electricity connections will be provided in 15 days and the number of documents required to obtain an electricity connection have been reduced to only 2. Online application for connections above 100 KVA have been made mandatory in Delhi and Mumbai. This reduces procedures, cost and time taken to obtain an electricity connection significantly.
2. In Mumbai, Brihanmumbai Electric Supply and Transport (BEST) has improved its SAIDI by 3% in the period June 2015-March 2016, and SAIFI by 11% in the same period and Tata power has improved its SAIDI by 2.42 and its SAIFI by 2.41.

Getting Credit

1. SARFAESI (Central Registry) Rules, 2011 has been amended. The amendment modifies rule 4 to include additional types of charges, including: "security interest in immovable property by mortgage other than deposit of title deeds"; "security interest in hypothecation of plant and machinery, stocks, debt including book debt or receivables"; "security interest in intangible assets, being know-how, patent, copyright, trademark or any other business or commercial right of similar nature"; and "security interest in any under construction residential or commercial building or a part thereof". This amendment allows (Central Registry of Securitization Asset Reconstruction and Security Interest) CERSAI to register these additional charges.
2. This amendment will allow uploading of data pertaining to security interests created on all types of properties covered by the definition of property in Section 2(1)(t) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) i.e. immovable as well as intangible.

Registering Property

1. In Delhi, all sub-registrar offices have been digitized and sub-registrars' records have been integrated with the Land Records Department

and in Maharashtra all property tax records have been digitized. The digitization of property records will overcome the cumbersome and time consuming paper work for registering properties. It will ensure transparency and allow citizens to ascertain history of transactions in digital mode.

Resolving Insolvency

1. The Insolvency and Bankruptcy Code, 2016 is expected to introduce new dimensions in Resolving Insolvency in India. This is India's first comprehensive legislation in the area of corporate insolvency.

Paying Taxes

1. The ESIC has developed a fully online module for electronic return filing with online payment. This has greatly reduced the time to prepare and file returns.
2. With introduction of e-Verification system, there remains no physical touch point for document submission to Income tax authorities.

State Reforms

1. DIPP launched an online portal in April 2016 to track implementation of reforms on a real-time basis. The online portal is aimed to provide the following:
 - o Real time ranking and tracking of the States and UTs based on implementation of the recommendations.
 - o Details of the good practices to learn and replicate.
 - o Provide information on current policies and practices across States and Uts.
2. More than 7000 reforms have been uploaded by States on the portal, the validation exercise of which is underway. While the validation exercise is in the final stages, it can be seen from the website that around 10 States have implemented more than 90% of the reforms. A detailed data set of ease of doing business measures implemented by various states is available at URL: <http://eodb.dipp.gov.in>.

Measures Underway

- Integrate processes for obtaining PAN, TAN, ESIC and EPFO registration with incorporation of company.
- Increase the coverage of Credit Registry and Credit Bureau to register at least 70% of the individuals and firms with information on their borrowing history from the last 5 years.
- Simplification in the forms for filing income tax return, VAT return, CST return, EPFO and ESIC return.
- Operational zing Insolvency and Bankruptcy Code.

Other Reforms

1. Online portals for Employees State Insurance Corporation (ESIC) and Employees Provident Fund Organization (EPFO) for:
 - o Real-time registration.
 - o Payments through 56 accredited banks.
 - o Online application process for environmental and forest clearances.
2. Department of Commerce, Government of India has launched Indian Trade Portal. Important feature of this portal is to be a single point for providing relevant information on measures other than tariff called the non-tariff measures such as standards, technical regulations, conformity assessment procedures, sanitary and Phyto-sanitary measures which may affect trade adversely.
3. An Investor Facilitation Cell has been created under 'Invest India' to guide, assist and handhold investors during the entire life-cycle of the business.
4. The Department of Industrial Policy and Promotion has also set up Japan Plus and Korea Plus. They are special management teams to facilitate and fast track investment proposals from Japan and South Korea, respectively.
5. Power connection provided within a mandated time frame of 15 days instead of 180 days.

6. Bankruptcy Code 2015 – New bankruptcy law, providing for simple and time-bound insolvency process to be operational by 2017.
7. Goods and Services Tax – Single tax framework by April, 2017.
8. Permanent Residency Status for foreign investors for 10 years.

Conclusion

India's ranking in the Doing Business Report has improved. Improved business processes and procedures open up new avenues of opportunities and create confidence among entrepreneurs. Even though the research shows an improvement in the ease of doing business in terms of improvement in some parameters, yet more reforms are required for improvement in the Ease of Doing Business. Stake holders should commit to continue supporting the implementation of regulatory reforms to improve the business environment in a country. The need for improving ease of doing business has never been more pressing in India than now when the recently launched ambitious mission of 'Make in India' requires transforming investor attractiveness of the country.

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NEED OF PRACTICAL TRAINING TO COMMERCE GRADUATES AND POST-GRADUATES!

***Ms. Shubhangi M. Kedare**

ABSTRACT

Education is an important weapon which makes a man self-reliant and self-dependent. Independent. In Mahatma Gandhi's own words, "Education ought to be for children a kind of insurance against unemployment.

*India has one of the largest Higher Education system in the world. Over the last two decades, India has remarkably transformed its higher education landscape. It has created widespread access to low-cost high-quality university education for students of all levels. With well-planned expansion and a student-centric learning-driven model of education, India has not only bettered its enrolment numbers but has dramatically enhanced its learning outcomes. Without a proper education system, a country can't develop. The educated citizens can bring the real development in a country. That is why all the developed countries spend major share of the GDP on the health and education sector. In India, only 75 per cent students have enrolled themselves in the formal education system. Compared to the developed country, these numbers are not good enough. In the developed countries the statistics are above 90 per cent. Few steps can be taken by the government and **universities in India** to improve the education system in this country.*

Sophisticated and innovative learning approaches in higher education will improve quality in the fast-changing education industry. Employers complain that many graduates they hire are deficient in basic skills such as writing, problem solving and critical thinking that college leaders and their faculties consistently rank among the most important goals of an undergraduate education. There is need to transform the curriculum. It should be progressive in nature. Indian education system is exam based but it should be career focussed or skill based. This will not only enable the young graduates and post-graduates to seek better employment opportunities but also will ensure the employability of students to greater extent.

This research will throw light on evaluation of existing higher education system followed by University of Mumbai for commerce stream and suggestions to enhance the quality of higher education. This paper is based on primary data collected from professors, students and industry and corporate professionals in Mumbai.

(Keywords: Higher education, government, universities, employability, career-focused education, skill-based)

Introduction

In Mumbai, the colleges affiliated to Mumbai University offering specifically B.com and M.com syllabus are following semester pattern. Initially, in

the year 2011 there was choice-based credit system, i.e. 60:40 pattern then there were radical changes in the form of 80:20 and till last year it was 75:25. Now, again there is a return to the previous system of 100 marks semester end examination.

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We have been experimenting to bring about the best and useful education pattern. Though there have been efforts to improve pedagogy, the basic nature of education has remained intact, i.e. theoretical. Somewhere, practical aspect of education could not be implemented effectively. According to Bailey, (Mitchell, 2006) "to succeed in this ever changing, increasingly competitive business environment, organizations must demand employees with competencies which will lead to a high return on the employee investment".

Need of the study

The study is very significant from the view point of the employability of graduates and post-graduates (PG) and even under-graduates (UG). Employability is the ability of freshers to get employed in suitable jobs as per the willingness and ability of the candidate. Many employers complain that the graduates they employ are poor in communication skills, networking skills, writing skills and other interactive skills.

The present study is an effort of the researcher to find out the need of practical training along with the theoretical base. The researcher also intends to find out the opinion of teachers, students and industrialists and corporates, professionals in Mumbai city.

Objectives

The main objectives of this research are as follows: -

1. To study the opinion of teachers, students and corporates/industrialist/professionals on current higher education in India with special reference to Mumbai University.
2. To examine whether there is any significant difference between the perception of UG and PG students, teachers and employers with regards to employability skills.

Hypotheses

- **H1:** There is significant difference between the opinion of teachers, students and corporates/professionals with regard to need of practical training.
- **H2:** There is no significant difference between the opinion of teachers, students and

corporates/professionals with regard to need of practical training.

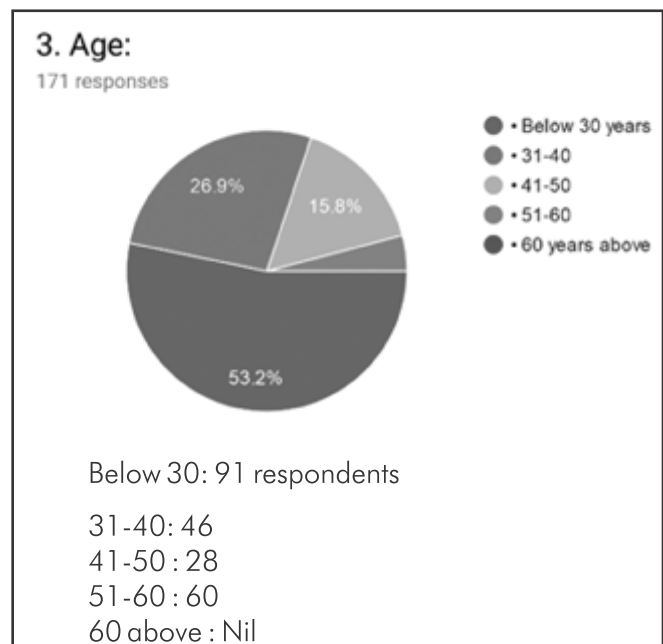
Research methodology

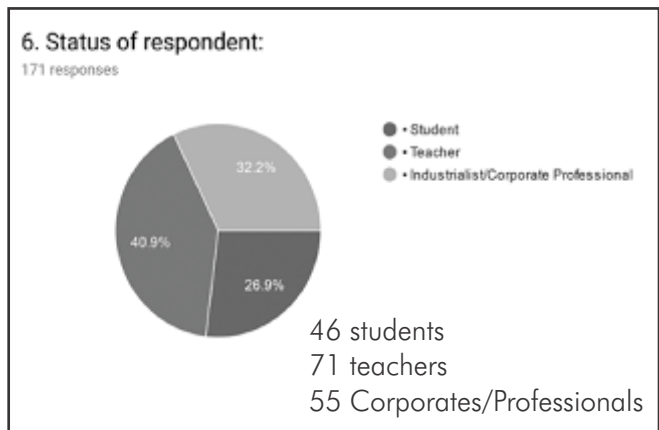
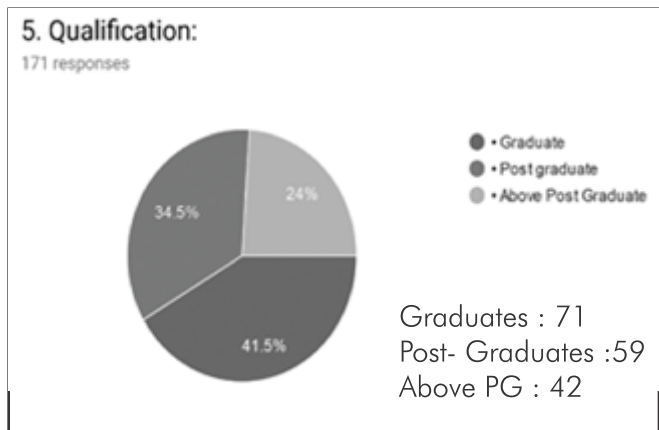
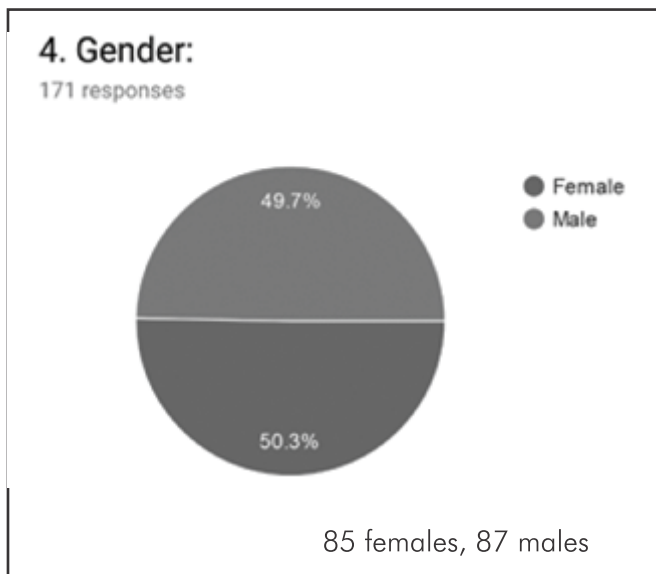
Sample design:- The study is done by using Non-probability Judgemental sampling Convenience sampling method. It is a descriptive study. A sample of 172 respondents have been taken across Mumbai. The data gathered was analysed using Factor Analysis and Chi-square Test.

- * Primary data is collected through structured through structured questionnaire and 5-point Likert scale have been used.
- * Of the Total 172 responses 46 were of students, 71 of teachers and 55 were of Corporates/Professionals, Industrialists from Mumbai and Mumbai suburbs.
- * Secondary data Sources: Research articles and journals published.

• **Data Collection:** Questionnaires through Google docs were sent to 172 respondents and the inquiries the inquiries were made and their responses were noted. Respondents were mainly college students, college students, employed and non-employed youths; college youths; college teachers teaching commerce programs; and chartered accountants, lawyers and business men running proprietary concerns.

Data collection & Analysis





• **Testing of Hypothesis**

Factor Analysis (Complete Data)

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.876
	Approx. Chi-Square	1637.161
Bartlett's Test of Sphericity	D.f.	91
	Sig.	0.000

Here value for KMO test is 0.876, it indicates that sample size is sufficient for Factor analysis. In general, any value for KMO Statistics above 0.5 is acceptable. From the Bartlett's test of Sphericity p-value is 0.00. So, variables are correlated with each other. Thus, data is suitable for Factor analysis.

Findings & Interpretations

Q.no. 3 is there mentions the need of practical training to the youths which should be career based/skilled based. Almost 101 respondents among 172 strongly agreed to the statement.

- ❖ Thus, from the above study, we can conclude that whatever irrespective of the qualification or status of the respondents, almost 102 respondents strongly agreed to the requirement of practical education system.
- ❖ 44 respondents agreed to practical education system for commerce graduates and post graduates.
- ❖ Similarly, 101 respondents strongly agreed to have career based/skill-based education system for commerce graduates and post graduates. 43 respondents agreed for the same.
- ❖ Almost 81 respondents are in favor of internship at M.com and T.Y.B.com level.

PQ3_ES * Status Crosstabulation

			Status			
			Student	Teacher	Industrialist/ Corporate + Professional	Total
Q3_ES	Strongly Disagree	Count % within Q3_ES	3 25.0%	5 41.7%	4 33.3%	12 100.0%
	Disagree	Count % within Q3_ES	1 14.3%	3 42.9%	3 42.9%	7 100.0%
	Neutral	Count % within Q3_ES	3 37.5%	4 50.0%	1 12.5%	8 100.0%
	Agree	Count % within Q3_ES	12 29.3%	15 36.6%	14 34.1%	41 100.0%
	Strongly Agree	Count % within Q3_ES	26 25.7%	42 41.6%	33 32.7%	101 100.0%
Total		Count % within Q3_ES	45 26.6%	69 40.8%	55 32.5%	169 100.0%

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.525a	8	.961
Likelihood Ratio	2.843	8	.944
Linear-by-Linear Association	.002	1	.963
N of Valid Cases	169		

Two-sided asymptotic significance of the chi-square statistic is greater than 0.10. So, it is safe to say that differences are due to chance. Students, Teachers and Corporate professionals have same level of agreement

over requirement of career-focused/skill-based approach recognizing the areas of interest of student which will ensure employment as well as Self-employment.

ANOVA**1. Qualifications****Test of Homogeneity of Variances**

	Levene Statistic	df1	df2	Sig.
REGR_FAC1_1	.021	2	166	.979
EGR_FAC2_2	.125	2	166	.883

ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
REGR_FAC1_1	Between Groups	.855	2	.427	424	.655
	Within Groups	167.145	166	1.007		
	Total	168.000	168			
REGR_FAC2_2	Between Groups	.220	2	.110	.109	.897
	Within Groups	167.780	166	1.011		
	Total	168.000	168			

In Levene's Test we accept the hypothesis that there is insignificant difference between variance of factors. From the above table of ANOVA, we observe that

factor means do not differ significantly. That is there is no impact of **QUALIFICATIONS** on these factors.

2. Status

Test of Homogeneity of Variances

	Levene Statistic	df1	df2	Sig.
REGR_FAC1_1	.130	2	166	.878
REGR_FAC2_2	1.152	2	166	.318

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
REGR_FAC1_1	Between Groups	.480	2	.240	238	.789
	Within Groups		167.520	166	1.009	
	Total		168.000	168		
REGR_FAC2_2	Between Groups	.046	2	.023	023	.978
	Within Groups		167.954	166	1.012	
	Total		168.000	168		

In Levene's Test we accept the hypothesis that there is insignificant difference between variance of factors. From the above table of ANOVA, we observe that factor means do not differ significantly. That is there is no impact of **Status** on these factors.

The study vivid points out that the respondents whether they may be teacher, students or corporates, they feel that there is need of some sort of practical experience along with theoretical knowledge which is being imparted in the colleges. It has become a need of the hour. It will not only help the youths to fetch good employment opportunity but will facilitate in embarking upon self-employment.

Implications

The implications of the study are as follows:

Conclusions

Hence H2 is accepted that there is no significant difference between the opinion of teachers, students and corporates/professionals with regard to need of practical training.

This paper is an endeavour to find out whether the need of practical training is widely felt by all the segments in the society. On studying the opinion of all three kind of respondents it is found that all three kind of respondents agreed to the need of practical training. Students themselves find vast difference between theoretical knowledge which they gain in colleges and practical work which they take up after passing their graduation. Such gap can be correctly filled up by providing option of practical training to graduates in the colleges. It is also found that, many of the students look for part time job after passing HSC. They too, will get good avenues of employment with stipend. They will get acquainted with the necessary life skills which will enhance their abilities and refine their personalities.

So, in this way students will no more remain freshers but will carry some or the other kind of experience in their hand.

Suggestions

- Industry oriented project should be introduced in third year of B.Com. or at the M. Com. levels.
- Some specific number of hours should be prescribed to complete such a project.
- This could include :
 - Training under Chartered Accountants.
 - Training in a company where in office and administrative work can be learnt.
- Such Trainer should not be family member or a blood relative of the trainee.
- The hours completed by the student as a trainee should be certified by the trainer.
- The student may or may not get stipend for the training undergone.
- In the final report the trainer must specify which work and skills learnt by the trainee.

Training shall carry separate credits apart from total marks.

Such kind of training as a project shall be optional but it would be mentioned in the final score card of the student.

So, the student who undergoes such training, training shall be in a good position while looking for a job.

Department of Lifelong Learning and Extension in Mumbai University, there is one Project IOP- Industry Oriented project. Here students are required to undergo 150 hours of practical training with professionals such as Chartered Accountants or they have to acquire some practical work experience which will help them to know real work environment.

This helps the students to strengthen their theoretical knowledge based on their practical experience. Students become more skilled after they undergo such training. During such training stipend may be provided to the student. Such training should not be imparted within family business or with relatives. Trainers should provide confidential report to the college authorities. For completing such projects, students may be assigned separate credits along with exam marks. Such training can be made optional.

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A STUDY OF CHANGING TRENDS IN FINANCING OF CEMENT INDUSTRY IN INDIA

***Dr. Khushpat Jain, **Ms. Kruti Aditya Shah**

ABSTRACT

Objectives: The present research attempts to study the capital structure pattern of the selected units of cement industry in India and examine the variations in the leverage ratios of these selected units for the period of 9 years from 2010 to 2018.

Method: Secondary data is collected with a sample size of three Indian cement companies namely, Ultratech, Shree Cement and JK Lakshmi Cement. The data is collected from Capitaline database and the leverage ratios are calculated and then used for analysis.

Result: The study points out that the debt equity ratio of JK Lakshmi Cement has showed an increasing trend over the years indicating increase in debt levels. Ultratech, Shree Cement and JK Lakshmi Cement have shown a fairly consistent debt to asset ratio. JK Lakshmi Cement has followed an increasing trend of debt to capital ratio and also of debt to EBITDA ratio. The asset to equity ratio of Ultratech has been fluctuating over the years while that of JK Lakshmi Cement has been increasing.

Conclusion: It can be concluded that the all companies under study are making attempts to reduce long-term debts and maximize the wealth of the shareholders. However, JK Lakshmi Cement needs to maintain a balance of equity and debt.

Keywords: Cement, Capital structure, leverage ratios, Trends in financing.

Introduction

The capital structure is the way a firm finances its assets using proportions of equity, debt or hybrid securities. The company aims to attain optimal capital structure which would give maximum return to shareholders and minimize the cost of capital. The capital structure decisions are key financial decisions as they impact the risk involved and returns to the investors. Whenever the company requires funds, capital structure decisions with regards to the amount of funds and the source from which the finances is to be raised have to be considered.

Some advantages of using debt as a source of finance are tax benefits, non – dilution of control and easy to

raise funds from other financial institution. However, when the firm suffers loss, equity shareholders are the ones who suffer heavy losses.

Some advantages by using debt as a source of financing like tax benefits, non-dilution of control, easy to raise funds from other financial institutions are enjoyed by equity shareholders and at the same time when a firm suffers loss, equity share holders are the one who suffer heavy loss. So firms have to be careful in deciding the capital structure.

Leverage ratios are financial measurements that provide an indication of how much capital comes in the form of debt and the company's ability to pay off the debts when due. The leverage ratios are important

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since the companies depend on a mix of equity and debt to finance their business. The most commonly used leverage ratios are Debt-to-Equity Ratio, Debt-to-Assets Ratio, Debt-to-Capital Ratio, Debt-to-EBITDA Ratio and Asset-to-Equity Ratio

Cement Sector in India.

With the cement production capacity of approximately 502 million tonnes per year in 2018, India ranks as the second largest cement producer in the world (IBEF, 2019). Of the total capacity, only 2 per cent lies with the public sector, the remaining 98 per cent lies with the private sector. (Maiti. S, 2018) In India, around 20 companies dominate the cement industry, contributing around 70 per cent of the total cement production of the nation (IBEF, 2019). The factors like infrastructure development, growth in real estate, development of metros, roads and airports, government initiative towards new schemes are great demand drivers for cement industry in near future. The global players are attracted to India due to the increase in demand for cement. As cement plays a vital role in developing the nation, the analysis of the capital structure of the Indian cement industries is crucial.

Objectives of the Study

- To study the capital structure pattern of the selected units of cement industry in India.
- To examine the variations in the leverage ratios of these selected units for the period of 9 years from 2010 to 2018.

Review of Literature

Bhushan Singh and Dr. Mohinder Singh (2016) have investigated the how the capital structure decisions impact the profitability of the firm by studying ten listed cement companies in India over a period of five years. The analysis shows that the companies under study do not have sound debt-equity composition in their capital structure and thus are unable to enjoy benefits of leverage properly. The authors suggest that in order to enjoy the benefits of leverage, the cement companies can increase debt level in their existing capital structure. Using correlation coefficient, study concludes that companies have low profitability when the debt levels are high thus, reflecting significant negative relationship between debt and profitability.

Dr. Dhanabhakym M and Vadivel M (2016) have studied the financial strength of the cement companies by studying some of the liquidity and solvency ratios. The paper concludes that the companies must improve their current ratio to maintain the liquidity position by increasing the current assets. The companies should maximize the cash and bank balance to improve the quick ratio of the selected companies. Two of these companies were suggested to maintain the debt and equity position under control and minimize the fixed assets to total debts ratio by reducing the fixed assets.

Manjula Devi and K. Sabarinathan (2015) have analysed the financial performance of selected cement companies in Tamil Nadu. The paper attempts to examine the production and sales of the cement companies and carry out short term and the long term financial feasibility studies using regression analysis and other statistical techniques. The aim is to identify the factors that influence the profitability of the cement companies in Tamil Nadu under study. It has been observed that during 2014, the weak demand from end-user industries has resulted in slow growth of cement production of 3.7 per cent. It has been seen that the rapid infrastructure growth and housing sector demand have boosted the cement sales in India. The paper concludes that there is no association between the financial ratios and return of total assets of the cement companies under study.

Maruthu Pandian and Hema Prasanna (2015) have examined the factors that determine the capital structure of the cement sector in India by studying ten companies of Indian Cement industry for a study period of sixteen years from 1997-1998 to 2012-2013. The results of the multiple regression analysis reveal that, out of the fourteen variables, three variables which determine the capital structure of the cement sector in India are solvency ratio, return on equity and the bank rate. The results conclude that there is no association between the variables namely, size, age, current ratio, dividend pay-out ratio, effective tax rate, inflation rate, interest coverage ratio with the debt-equity ratio of the Indian selected cement companies.

Ritu Toshz niwal (2014) has carried out the capital structure analysis of selected cement companies on the basis of Debt equity ratio, Solvency ratio, Proprietary

ratio; and fixed assets to total debt ratio and fixed assets to net worth ratio. The findings show that the capital structure of Shree Cement Ltd. and J.K. Cement Ltd. is equally sound and both the companies are taking necessary actions to maximize the wealth of shareholders.

Dhartibhen Chauhan and Sirajbeg Mirza (2013) have critically examined the capital structure of four cement companies of India over the period of five years. The paper analyses the capital structure of these companies, studies the debt equity ratio and gives suggestions for further improvements in the capital structure of these companies. The paper concludes that two companies follow high gearing policy in the formation of capital structure as they are using more borrowed funds than ownership funds during the period of study. However, they are striving to move towards more conservative approach of financing by reducing their debts. The other two use more ownership funds than borrowed funds, which indicate that they follow conservative approach for financing. The reserves of all four companies indicate upward trend.

Method

The data collected for this study is secondary in nature. The data is collected for a period of nine years from 2010 to 2018 with a sample size of three cement companies namely, Ultratech, Shree Cement and JK Lakshmi Cement. The selected units are the major players in terms of market share of the cement industry in India and thus, would definitely reflect the accurate picture of the individual units in the cement industry. The data is collected from Capitaline database, tabulated and analysed using leverage ratios.

Result

1. Debt to Equity Ratio

The debt-to-equity ratio is a measure of the proportion of the capital contributed by creditors and the capital contributed by owners of the company. This ratio is used to measure the long term solvency of the company.

Table 1

Debt Equity Ratio of Cement Companies									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ultratech	0.35	0.52	0.46	0.48	0.43	0.52	0.48	0.35	0.74
Shree Cement	1.15	0.95	0.79	0.34	0.25	0.17	0.13	0.17	0.38
JK Lakshmi Cement	0.90	0.80	0.78	1.09	1.30	1.46	1.71	1.92	1.76

Source: Capitaline; Debt to Equity Ratio = Total Debt/ Total Equity

From the above mentioned table, it can be seen that, in case of Ultratech, the debt equity ratio that was 0.52 in 2011 was followed by a decreasing trend to 0.35 in 2017 but showed an increase at 0.74 in 2018. The debt equity ratio of Shree Cement was 1.15 in 2010 which finally declined to 0.38 in 2018. A decreasing trend in debt equity ratio is an indicator of reducing long-term debts of the company thereby showing favourable position for long-term lenders. For JK Lakshmi Cement, the debt equity ratio was 0.90 in 2010 which declined to 0.78 in 2012 which again

increased to 1.92 in 2018, relying more on debt. Having a high ratio is unfavourable and risky from the owner's perspective.

2. Debt to Asset Ratio

Debt to Asset ratio shows a relation between the total debt of the company to its assets and helps to understand how much debt is used to finance the assets of the company. This ratio is used to measure long-term solvency of company.

Table 2

Debt Asset Ratio of Cement Companies									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ultratech	0.19	0.25	0.24	0.25	0.23	0.26	0.25	0.20	0.33
Shree Cement	0.43	0.38	0.37	0.21	0.16	0.11	0.09	0.12	0.22
JK Lakshmi Cement	0.19	0.25	0.24	0.25	0.23	0.26	0.25	0.20	0.33

Source: Capitaline; Debt to Asset Ratio= Total Debt/ Total Assets

Table 2 evidently states that Ultratech has a consistent debt to asset ratio from 0.25 in 2011 to 0.33 in 2018 and is financially stable. In case of Shree Cement the ratio has been 0.43 in 2010 and has followed a declining trend since 2010 which is a good sign for the company. In case of JK Lakshmi Cement the debt to asset ratio was 0.19 in 2010 and has slightly increase to 0.33 in 2018, which is unfavourable from creditors' perspective.

Debt to Capital Ratio

Debt to capital ratio is a ratio that measures the company's use of financial leverage by comparing its total debt to total capital. The ratio measures the proportion of debt that a company uses to fund its operations as compared to its capital.

Table 3

Debt to Capital Ratio of Cement Companies									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ultratech	0.26	0.34	0.31	0.33	0.30	0.34	0.33	0.26	0.42
Shree Cement	0.53	0.49	0.44	0.25	0.20	0.15	0.11	0.14	0.28
JK Lakshmi Cement	0.47	0.45	0.44	0.52	0.57	0.59	0.63	0.66	0.64

Source: Capitaline; Debt to Capital Ratio= Total Debt/ (Total Debt + Total Equity)

As seen in table 3, the debt to capital ratio of Ultratech which was 0.26 in 2010 has followed an increasing trend to 0.42 in 2018. In case of Shree Cement, the debt to capital ratio has shown a declining trend from 2010 to 2018 which indicates positive efforts of the company to reduce the debt levels. JK Lakshmi Cement has followed an increasing trend from 0.47 in 2010 to 0.64 in 2018 which is risky for the lenders and shareholders of the company.

Debt to EBITDA Ratio

Debt to EBITDA is a ratio that determines the income generated and available to pay off the debt before covering interest, taxes, and depreciation and amortization expenses. It is used to determine a company's ability to pay its debt.

Table 4

Debt to EBITDA Ratio of Cement Companies									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ultratech	0.76	1.94	1.29	1.43	1.68	2.06	1.98	1.45	3.05
Shree Cement	1.34	1.96	1.20	0.74	0.80	0.63	0.42	0.45	1.19
JK Lakshmi Cement	2.12	3.75	2.60	2.86	5.13	6.12	6.70	5.39	5.06

Source: Capitaline; Debt to EBITDA Ratio= Net Debt/ Earnings before Interest Tax Depreciation and Amortization.

It can be observed from the above table 4, that the debt to EBITDA ratio of Ultratech was 0.76 in 2010 followed by an increasing trend at 3.05 in 2018 which indicates that the company has high debts. Shree Cement has shown a declining trend from 1.96 in 2011 to 0.45 in 2017, indicating that it is paying down debt or increasing its earnings. The debt to EBITDA ratio of JK Lakshmi Cement was 2.12 in 2010 which has been

increasing over the years to 6.70 in 2016 which is very risky and thus, needs to reduce the debt levels.

Asset to Equity Ratio

Asset to equity ratio is the ratio to determine the proportion of assets that has been financed by the owners of the company. This ratio helps to judge the margin of safety for long-term creditors.

Table 5

Asset to Equity Ratio of Cement Companies									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ultratech	1.82	2.04	1.95	1.95	1.88	2.02	1.93	1.78	2.22
Shree Cement	2.70	2.49	2.15	1.60	1.56	1.52	1.38	1.45	1.70
JK Lakshmi Cement	2.34	2.33	2.37	2.56	2.84	3.24	3.65	3.95	3.86

Source: Capitaline; Asset to Equity Ratio= Total Asset/ Total Equity

As seen from the above table 5, that the Asset to equity ratio of Ultratech has been fluctuating over the years from 1.82 in 2010 to 2.22 in 2018. Asset to equity ratio of Shree Cement has shown a declining trend from 2.70 in 2010 to 1.70 in 2018 indicating reduction in their debt. In case of JK Lakshmi Cement, the asset to equity ratio has followed an increasing trend from 2.34 to 3.86 in 2018, indicating that a company is not in a sound position and should not use additional debt financing.

Conclusion

Cement industry being capital intensive, requires a lot of initial investment for the companies in building huge plants as well as for the machineries. Thus, the companies raise huge initial capital from the shareholders and then later from lenders for expansion plans as well as operations. Thus, we can conclude that that the capital structure of Ultratech, Shree Cement and JK Lakshmi Cement are in a sound position and the companies are making efforts to maximize the wealth of shareholders. However, in case of JK Lakshmi Cement it needs to maintain a balance of equity and debt. Since the success of a company depends on the financial planning and capital structure, it is very important that the company should have an optimum capital structure.

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"SFIMAR RESEARCH REVIEW" invites papers for publishing in the next edition of the journal. Papers should be based on management and related areas. Preference will be given to papers based on empirical research, theoretical and practice based papers.

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The Paper should be in English language, neatly typed as Microsoft Word Document, **Times New Roman 12 point font size on A4 Size Paper with Double Spacing having 1.5 inch margin** on all four sides.

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The Paper should not be more than 5,000 words.
2. **Order of the Article Content**
The Article content should be in the following format
 - i. **Title of the Paper:** Titles should be no more than three typeset lines (generally 135 characters including spaces) and should be comprehensible to a broad scientific audience.
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 - v. **Keywords:** Keywords are listed below the abstract of the published article. At least three keywords are required at submission.
 - vi. **Main Text:** The Main Text should describe procedures in sufficient details. Methods and Assumptions must be presented before Results and Discussion. Use Systemic units and symbols whenever required. Statements of novelty and priority are discouraged in the text.
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All the papers received will be forwarded to the screening committee for review and the acceptances of the paper for publication will be communicated to the author at the earliest. Accepted papers will be given due recognition.

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