

# DIAS TIMES

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## Editorial Board

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## From the Editor's desk

*A daughter who serves  
A sister who loves  
A mother who bears  
A friend who cares  
Bestower of life  
Friendship and trust  
A picture of poise  
Strength and grace  
A dreamer, achiever  
A winner all along  
We celebrate you  
The phenomenal woman!*  
- Anonymous

The role of women in society, which has been overlooked since times immemorial, is now coming to perspective to people. In the early days, the society revolved around well-established conventions of male supremacy and female sub ordinance. Women were seen as wives who were intended to cook, clean and take care of their kids but now the mindsets are dynamically shifting. Though, there have been millions of changes in the society as a whole, but the concern is the "Direction & Definition of Change". 8<sup>th</sup> March is increasingly celebrated as International Women's Day all over India and with no doubt, even the reigning political parties are prioritizing women, their safety and empowerment in their political agenda but still there is a darker side of the fact, either ignored or unexplored.

The fact at hand is that women are no way inferior to men and that is well demonstrated through their presence in diverse professions at various positions in organisations. They are no more restricted to the confines of their homes and their activities are far beyond giving quality time to their family and handling household chores. They, now, are scaling heights of success by proving themselves to be accomplished assets on professional grounds too.

In spite of all endeavors, one should not oversee the flip side of coin. There are still ideas of male domination, violence, racism and crime all together floating and making the air dirty. Newspapers, news channels and internet with the grace of youtube, are over flooded with evidences proclaiming the brutal death of dignity of every woman. The whys and wherefores are not dark or poorly lighted streets, derelict parks or empty lots; it is about obsolete mentality and its misfortunate consequences. A piece of cloth or time of stepping out is never the reason for attracting any woe in anyone's life but the whole thought process has to be given advanced yet correct shape. The entire system, mentality and protocols are proclaiming their inefficiency and daily facts prove their need to be restructured at the earliest.

Woman is just like a flower that needs water and clean air to survive and blossom, but this does not in the least insinuate that she is feeble or fragile. It is high time for the society to realize that a child is incomplete without a mother, a husband is alone without a wife and a family is imperfect without a daughter. With all these gracious roles, a woman deserves a far more reputable position both as a prominent gender and as a dignified human being. Praise her beauty, respect her dignity and salute the roles and responsibilities she abides by and then be ready to witness magic of her work and victories that have never been showcased before. Always remember a beautiful woman draws strength from troubles, smiles during distress and grows stronger with prayers and hope. It is time for the world to appreciate the fact: "A woman is the full circle. Within her is the power to create, nurture and transform."

*Ruchi Gupta*

Ruchi Gupta  
Editor





## DIAS

### A Mission to Excel

Delhi Institute of Advanced Studies is a dynamic growth oriented Institution affiliated to Guru Gobind Singh Indraprastha University. Established by Shri Laxman Dass Sachdeva Memorial Education Society, the Institute is providing dynamic learning environment that is changing in response to the changing needs of society. The Institute seeks professional excellence through ethics, passion and perseverance. The guiding philosophy behind all academic activities of the Institute is to inculcate professionalism and to enhance the effectiveness of an organization.

Sh. S.K. Sachdeva, a well-known name in the educational world, is the Chairman of the Institute and Dr. S.N. Maheshwari, former Principal of Hindu College, Delhi University, is its Professor Emeritus and Academic Advisor and Dr. I. B. Singh is the Director.

The Institute runs the MBA and MCA programmes affiliated with Guru Gobind Singh Indraprastha University. The credibility of education at the Institute is increasingly being

realised and recognized by foreign universities as well as the corporate world.

The Institute's students are its brand ambassadors. Our students have been placed in some of the best companies in India like IBM, Infosys, Adobe, TCS, Nucleus Software Ltd., Intersolutions, Mahindra British Telecom, Bharti Touchtel, Reliance Infocomm, Ranbaxy, Thomas Cook, FICCI, American Express, Tata Tele Services, Jet Airways, Mahindra Finance, Alcatel, Abacus, Synergy, Torrent, Quark, Syntel, Om Logistics, BEC Foods, Hughes, BrickRed Technologies, Escosoft Technologies, Nagarro, Grapecity, Satyam, Wipro, Accenture, Caritor, L and T Infotech, HCL, Tata Infotech, ICICI Prudential Life Insurance, Reliant Infomedia, India Bulls, Tact India, Sapient, J.K Technologies, Mindfire Solutions, Momentum Technologies, ACS Infotech (P) Ltd., Interra Systems, CE Infosystems, Nagarro, Tata Teleservices, Kotak Life Insurance, UTI Bank, Kotak Mahindra Bank, Grail Research, Planman Consultancy and many others. These ambassadors are making the Institute proud in the corporate world.

## Academic

### Contribution by Faculty

#### **DR. S. N. MAHESHWARI, PROFESSOR EMERITUS AND ACADEMIC ADVISOR, DIAS**

Dr. S.N. Maheshwari, a prolific author with more than 150 books/monographs to his credit, has brought out the following monographs during April-June 2014 :

1. **Management Accounting and Control**, Bharati Vidyapeeth Deemed University, Pune (School of Distance Education) BCA – 3.4, April 2014 (**Vikas Publishing House Pvt. Ltd.**)
2. **Corporate Accounting**, Commerce Course : B.Com – 202, Self Learning Material, Directorate of Distance Education Dibrugarh University. April 2014. (**Vikas Publishing House Pvt. Ltd.**)

#### **Ms. N. MALATI, FACULTY, DIAS**

1. Published paper titled, **“Employer Branding: The New Age Mantra for Organizational Differentiation”** in Journal of Practicing Managers , ISSN 2230-7419, Vol.4 No.01 Jan-June, 2014.
2. Presented and published paper titled, **“Employer Branding: A Strategic Human Resource Marketing Tool for Recruitment”**, in conference on “Contemporary Management Practices: Opportunities and Challenges”, organized by Rukmini Devi Institute of Advanced Studies on 17-19<sup>th</sup> April, 2014
3. Published Case Study on **“Illegal Lockout at Regency Ceramics”** in OJAS: Expanding the Knowledge Horizon,



Volume 3, No. 1, December 2013

4. Published Case Study on “**Employee Unrest at Nokia Ltd**” in GNA-IMT JOURNAL, Vol. VIII, No.2, December 2013

#### **MS. HARITIKA CHHATWAL, FACULTY, DIAS**

1. Published paper titled “**An Empirical Analysis of Causal Relationship between Micro Loans and Various Economic Indicators of India**” in International Journal of Engineering and Management Sciences”, Volume.5 Issue 2, 2014

#### **DR. ANJU BATRA, FACULTY, DIAS**

1. Published paper titled “**Green Energy: Magic Potion For Sustainable Economic Development**”, in Proceedings of International Conference on “Innovative Entrepreneurship to Minimize Carbon Footprints” organized by Maharaja Surajmal Institute, on April 19, 2014.

#### **MS. CHARU GUPTA, FACULTY, DIAS**

1. Published paper titled “**Reducing Carbon Footprint of**

**the Banks: Suggestive Measures**”, in Proceedings of International Conference on “Innovative Entrepreneurship to Minimize Carbon Footprints” organized by Maharaja Surajmal Institute, on April 19, 2014

#### **MS. TANVI RANA, MS. ROMA JAITLY, FACULTY, DIAS**

1. Published case study titled “**The Birth of Common floor – A Case Study**”, in Proceedings of International Conference on “Innovative Entrepreneurship to Minimize Carbon Footprints” organized by Maharaja Surajmal Institute, on April 19, 2014.

#### **MS. DIMPLE CHAWLA, FACULTY, DIAS**

1. Published article titled “**System & Web based Modeling for Secure Software Development**” in International Journal of Computer Technology and Applications, January-February, Vol. 5 Issue 1 as 39th article, April 2014
2. Published article titled “**An Approach For Vehicle Detection In Complex Environments**” in International Journal of Innovative Science, Engineering and Technology, Vol. 1, Issue 3, May 2014.

## **Placements at DIAS**

The period of the year April to June was a period marked not only by some of the great companies coming to the campus for recruitment but also by the end of the session followed by students entering into a new phase of their professional careers. Our students have joined their respective organizations to work and create a niche for themselves.

Among the many eminent companies which visited the campus for the last batch, a few worth mentioning are Ameriprise Financials, Naukri Gulf, HDFC Life, Maansource, Club Mahindra and many more. Some of the employers really liked the warmth at the campus and made a special mention about the hospitality at DIAS.

The interaction between the students and employers was really inspiring. It brings great joy to the entire DIAS fraternity

that our students’ commitment and diligence at work has persisted the companies to visit DIAS again and again.

Overall, the placement drive of MBA Batch 2012-2014 has been over whelming, filled with pride and more than 90% of students have been placed with the process still continuing to achieve 100% placements target and wish that they continue to bring the pride and fame they have been doing for years.

Also, the MCA 2014 placement that was 80% by the end of March increased to 91% in the last quarter. Indus Valley Partners recruited 4 students, one in Daffodils Software, two in NCR corporations and two in Tolluna. We are also proud to share that one of our students Gagandeep Singh Mhatru has started his own venture Knownanonymous. The average package this year was 3.6 Lac per Annum and highest 6 Lac per Annum.



## Activities at DIAS

### SESSION ON CAREER COUNSELLING

DIAS organized a session on career counselling in collaboration with "GABS CLASSES"- Computer Education & Training Centre for MCA students. The session was conducted by Mr. Sunil Gaba, Director on 26<sup>th</sup> March, 2014.



The main objective of the session was to acquaint the students with the important aspects of software engineering specially its testing phase. The students were able to relate the importance of the subjects being taught to them in their curriculum with their practical usage. The session provided a wealth of information which proved to be quite fruitful for the audience. The students were bestowed with knowledge about Industry needs, latest technical updates, avenues for higher studies etc. The students interacted with him a lot and also shared their experiences on the topic. The session altogether was very motivating and thought provoking, thus, preparing them for the real life corporate world and guiding for final placements and Interns for the coming summer season.

### BEST OUT OF WASTE COMPETITION

Over the centuries with the increase in population, there has been a rapid surge in the amount of waste generated. Waste, by nature, is almost immaterial to people, the question of what to do with it arises. Since dumping it in a river or burying it in the ground is no longer an option, waste management is the key to effective waste disposal.



DIAS organized "Best out of Waste" Competition on 28<sup>th</sup> March 2014, judged by Ms. Manpreet Kaur and Ms. Ruchi Gupta, to encourage students to come up with innovative ideas to tackle with waste problems. The event garnered interest of students of both management and IT streams.



Making decorative items, dress and decorative lightings from waste, were some of the few innovative ideas. The event witnessed active partaking, co-ordinated team effort, great zeal and enthusiasm to perform and come out with new ideas.



## FAREWELL FUNCTION

Just as treasures are uncovered from the earth, so does virtue appear from good deeds, and wisdom appears from pure and peaceful mind. To walk safely through the maze of college life, a student needs the light of wisdom and the guidance of virtue, which are provided by their respective seniors. From classes to exams, from cultural fest to placements and significant insights to latest gossip, senior students are always available to help juniors as they see a reflection of their identity in the new batches. This tradition in DIAS continues as seniors pass the baton to new and fresh talented people as they move on to next chapters of their respective careers. To celebrate this tradition, Farewell was organized by DIAS for the students of 2012-2014 on 28th March 2014. All students from MBA as well as MCA department along with the teachers attended the Function.



Dr. I.B. Singh, Director, congratulated the students on successfully passing these years and blessed them with his words of wisdom. He also shared his experiences that will help them in the near future. He insisted upon 3 Ps – Planning, Perseverance, & Performance, which are the cardinal principles of success in any career. He advised the students to cultivate positive thinking and to do smart work in order to become successful in their career. Hard work is the first step to smart work, it gives experience which enables to think about work the easy way. He congratulated teachers on imparting their knowledge to the students as they march on to a successful career, as they will always remember the values shared by faculty.

Faculty members also took the opportunity to express their feelings towards the MBA and MCA batches and shared their experience on teaching them. College is not just an educational institute which just teaches the academic course and takes exams. It is a place to groom oneself as a good human being and inculcate right moral values and practices to prepare for the future.

Students also presented cultural performances like theatrical play and poem recitation which were based on the life at college. Several students gave their feedback about their experience at DIAS. They appreciated the college authorities for exploring all avenues for giving quality education and placement opportunities. They were all appreciative of the prevalence of discipline in the campus, and of the efforts being taken to improve the academic results. Some students praised the policies of the colleges, like helping the meritorious students, with scholarships and fee reductions – a significant feature of DIAS.

The farewell function ended with the students getting nostalgic and emotional on leaving the good years behind and moving on in their careers. Wishing the best of life, DIAS bid farewell to the students of both the MBA and MCA batches.





**BLOOD DONATION CAMP**



DIAS organized a voluntary blood donation camp on April 16<sup>th</sup>, 2014 in association with Sant Parmanand Hospital, Civil Lines. The institute keeps on organizing such camps every year to sensitize the students for their social and moral obligations.

The faculty and staff members of the institute also took active participation in the camp. Around 100 units of blood were collected.

**FACULTY DEVELOPMENT PROGRAMME on "DATA MINING AND BIG DATA ANALYTICS: CONCEPTS, TECHNIQUES, TOOLS AND RESEARCH DIRECTIONS"**



The technological advancement in data storage has resulted in huge data production and transmission in every industry. The overwhelming data being stored in business, education, hospital, and other industries along with satellite data, surveillance data and data stored in World Wide Web is a

storehouse of information. Therefore, it is essential to develop powerful means for analysis and interpretation of such data for the extraction of interesting knowledge that could help in decision-making. Data mining has become an active research field in this area having great industrial impact. To ensure that



the advances of data mining research and technology benefit the progress of science and engineering, it is important to examine the challenges on data mining posed by data-intensive science and engineering. Understanding the advantages of using different data mining tools and techniques, and knowing what data mining does helps a researcher move faster towards his/her goal.

With ever increasing speed of internet connection, the traditional structured data has moved into semi-structured and completely unstructured data of different types, such as text, image, audio, video, click streams, log files, etc. now comes under the umbrella of "Big Data". Moreover, big data is often internally interconnected and thus forms complex data/information networks. The models, algorithms and methods for traditional data mining are no longer effective and efficient. Therefore, it has become a great challenge to carry out real-time analysis on, and deep mining and understanding from big data so as to obtain dynamic and incremental knowledge. In the era of big data, it is expected to develop new models, algorithms, methods, and even paradigms for mining, analyzing, and understanding big data.

DIAS organized Faculty Development Program on "Data Mining And Big Data Analytics: Concepts, Techniques, Tools And Research Directions" on 13<sup>th</sup> -14<sup>th</sup> June, 2014, to deliberate upon different facets of data mining like applications, operations, techniques and algorithms. The FDP also aimed to focus on the development of computational techniques and enhance awareness of the current analysis tools in the field of traditional data mining and big data analytics.

The Faculty Development Program began with discussion of the concepts and techniques of data mining by Dr. Devendra Tayal, Associate Professor, Department of Computer Science & Engineering, Indira Gandhi Delhi Technical University for Women. Further, the Fuzzy Logic was discussed for information retrieval and data mining. He also described how fuzzy logic extends the envelop of the main data mining tasks: clustering, classification, regression and association rules using MATLAB. He also extended his view on research in data mining using new and an innovative technique of data mining.



On second day of FDP, the concept of data mining approaches with STATISTICA was explained and demonstrated with the help of MATLAB. Furthermore, there was discussion on big data analytics and its application through Hadoop/ Map Reduce.







The resource persons, Mr. Muhammad Shahid, Business Analyst, StatSoft India and Mr. Biswajit, Business Development Manager, StatSoft India, were presented with a memento as a token of appreciation and gratitude.



The two days' FDP program concluded with the valedictory

session along with the distribution of certificates to the participants.



Ms. Tripti Mishra, Event Incharge extended her vote of thanks to resource persons, the participants, DIAS faculty and staff.

## FACULTY DEVELOPMENT PROGRAM on “ADVANCED STATISTICAL TOOLS FOR MANAGEMENT RESEARCH”



*“Research is what I am doing when I don't know what I am doing”.*

- Werner van Braun

Management education all over the world is undergoing a sea-change in accommodating and updating the unheeded and unobserved paradigms through collaborations and

international exchange programs. Management education constantly strives to uplift the standard of curriculum development and delivery to meet high expectations of the ever changing needs and demands from stakeholders, globally.

It is passing through a defining time to establish itself firm in the tough and 'hard to negotiate' marketplace thereby



ensuring to meet the global standards and practices in the arena of management teaching. There is a need for exploration of new classroom teaching methodologies through research-oriented approach and thus, paving way for the creation of new-knowledge and applications for all stakeholders involved.

Research is often considered to be rhetorical while in true sense of nature it is an approach with a futuristic vision. While the qualitative research talks about human behavior and the reasons that govern such behavior, the quantitative research emphasises on the numerical data and uses statistical methods.

Technically, research can be considered a strategy which includes a set of steps which are critically important starting from identification of problem to communicating the research findings. Communication of research finding is done by academic publishing which is a system that is necessary for academic scholars to peer review the work and make it available for a wider audience.

Today's findings form the building blocks for tomorrow's invention; hence, it is of utmost importance that the research findings are recorded effectively. In addition, it also avoids plagiarism which is one of the most common pitfalls of modern day research.

If we look at the modern day business, Research and Development forms the foundation for the growth and expansion. It fosters creativity and helps in sustainability in the market. Research is the face of change in any organization and change is the only constant, come what may.

DIAS organized a two day FDP on 20<sup>th</sup> – 21<sup>st</sup> June, 2014 to facilitate the faculty and researchers in the field of academics to proceed with clarity in their respective research work.

The FDP also aimed at familiarizing the participants with simple and exhaustive ways of data analysis through interactive and practice based sessions along with theoretical framework. The participants were provided with the knowledge of collection of data, generation of questionnaires and various issues involved in data research analysis along with hands on SPSS software.

The program commenced with the welcome address by Dr. S.N. Maheshwari, Professor Emeritus, DIAS to Resource Person for the first day, Prof. Ajay Pandit, Professor, FMS, DU.



The first day saw detailed discussion on fundamentals of management research, sample designing, preparing data for analysis and application of t-test, z-test. The participants gained valuable insights into the basics of research.



Deliberations on correlation, regression, non-parametric tests in addition to factor analysis, cluster analysis and Structured Equation Model (SEM) were carried on during the second day of the FDP by Dr. N P Singh, Dean Research, MDI, Gurgaon.



The program was interactive with the active partaking of the participants.



The two day FDP concluded with a valedictory session along with distribution of certificates to the participants.



The resource person, Dr. N.P. Singh was presented with a memento as a token of appreciation and gratitude.



Ms. Shilki Bhatia and Ms. Tanvi Rana, event co-ordinators, extended their vote of thanks by expressing gratitude towards the resource persons and the participants for their support in making the event a success.



## THE LATEST BUZZ

### MANAGEMENT

#### **BHARTI AIRTEL OPENS 100 OWN RETAIL STORES IN 14 MONTHS**

Bharti Airtel has opened 100 retail outlets in the country in the last 14 months which are owned and operated by it to deliver best service experience to customers. Airtel ventured into its company-owned-company-operated (COCO) stores in February 2013 with the opening of the first store in Delhi. In a span of 14 months, the company's retail footprint has been extended to 35 cities and towns across 14 states employing over 1,000 staff members.

The all new company-owned-company-operated Airtel stores leverage the best of retail practices and technology to offer a superior service experience to customers walking into the outlets. The new Airtel stores also have outlets that will be run as well as managed by women employees, and will focus on addressing the needs of female customers across the country especially tier 2 and 3 cities.

#### **FACEBOOK PARTNERS F-SECURE FOR MALWARE CLEANUP**

Security solutions provider F-Secure partnered with Facebook wherein users of the social networking giant will be able to block and eradicate malware from their systems free of cost. Malware or unwanted software on a computer or device can disrupt normal device performance, steal personal information, or gain access to a system. It can abuse Facebook users and their friends by posting malicious links or spam which appear to come from a legitimate user's account. With F-Secure's technology, Facebook will offer a browser-based malware scanner as a free service.

F-Secure's malware scanning and cleanup technology is fully integrated with Facebook. When Facebook identifies an account behaving suspiciously; it will redirect the user to the cleanup process. The scan and cleanup is executed directly in the browser window, inside Facebook.

The service will be available to Facebook users whose accounts have been temporarily frozen due to suspicious activity caused by a potential malware infection. When a user

is logging in from an infected device, they will see a notification screen about the malware infection along with a recommendation to use F-Secure's scanner. The user will be given an option to skip the malware removal process or download the recommended scanner.

#### **PRINCEWARE INTERNATIONAL TARGETS RS 100 CRORE SALES FROM LUGGAGE BUSINESS BY FY17**

Plastics firm Princeware International is targeting over Rs 100 crore revenue from luggage business by fiscal 2017 as it doubles its retail presence. The company, which reported Rs 500 crore revenue in the last fiscal, started retailing luggage six months ago. The company's luggage business reported a turnover of Rs 50 crore in the previous fiscal. It has 20 retail stores spread across the country. The company manufactures luggage products from its plant in Daman in Gujarat. Princeware manufactures and retails home-ware products such as bottles, storage boxes, thermometer products and luggage products.

#### **APPLE TAKES iAD PROGRAMMATIC**

The company seeks to reboot its advertising platform in a play to catch up with Facebook and Google. In a move to automate ad delivery through more than 250,000 iOS apps, Apple has announced that its iAd platform now supports programmatic buying.

Cupertino, Calif.-based Apple said the enhancement will deliver targeted ads to its consumer devices as well as on iTunes Radio in more than 100 countries. It is working with ad-tech Rubicon Project, GET IT Mobile, MediaMath, The Trade Desk, Accordant Media, Adelphic and AdRoll. The move is powered by 'an update API for Apples automated iAd Workbench that, Apple's release states, "allows advertisers to create and update campaigns, retrieve analytics and manage bids directly through their own systems." These APIs provide the structure for accessing iAd inventory and Apple data, but the real intelligence behind targeting will be delivered by the demand partners. That means ad purchasers will be able to take part in nearly real-time, automated auctions online that can provide better targeting to users.



Previously, buyers had to negotiate with members of the iAd sales team. On the sell side, ad companies will be able to move more quickly and reduce overhead. Many brands have become used to the benefits of dealing with programmatic buying offered by behemoths such as Google and Facebook, both of which already serve ads to Apple devices. This move could help iAd gain on the others — currently its 2.6 percent share of mobile Internet ad revenue lags far behind Facebook's 14.7 percent and Google's 37.7 percent.

Advertisers particularly value Apple device users, as they are tied to validated iTunes accounts and provide in-depth customer data sets compiled through their interactions with iTunes and Apple's App Store. This premium consumer behavior dovetailed with Apple's apparent "sell fewer ads at higher rates" strategy, but perhaps not to the company's advantage. A more efficient market for ad sales could drive down individual rates but raise volume. That might help finally to realize Steve Jobs' stated goal, when he announced iAd in 2010, that it would take over half of the mobile ad market.

#### PRICE REGULATION OF ESSENTIAL MEDICINES

To ensure that consumers are not overcharged, the drug price regulator has mandated companies to seek its approval for every new medicine. According to the National Pharmaceutical Pricing Authority (NPPA) all innovative launches like new combinations of price-controlled medicines as well as those with changed strengths and dosages, will be treated as 'new medicines'.

The move is aimed at keeping a check on innovative branding and marketing strategies of pharmaceutical companies to circumvent price control.

In order to escape price regulation and bypass the price ceiling, companies often launch newer combinations by making minor changes to existing price-controlled medicines and raise prices by up to 10%. Prices of 374 medicines are directly capped by the government at the average price of those being sold with at least 1 per cent market share, currently; which roughly accounts for 10-13% of the total domestic pharmaceutical market pegged at around Rs 79,000 crores.

The regulator has asked companies to submit a compliance certificate from Drug Controller General of India (DCGI),

which monitors quality of medicines and gives approval to new products.

The move is the latest among various stringent measures adopted by the government to keep prices of medicines under check.

#### YAHOO BUYS BANGALORE-BASED TECH STARTUP BOOKPAD FOR RS 50 CRORE

Bangalore-based Bookpad has become the first Indian tech startup to be bought by Yahoo, going from creation to acquisition in just one year. The US internet giant has bought the firm in a deal worth around Rs 50 crore (\$ 8.3 million). Yahoo has so far bought over 100 companies.

Founded by IIT-Guwahati alumni Niketh Sabbineni, Aditya Bandi and Ashwik Reddy — friends in their early twenties — Bookpad is competing with large companies like Google and Crocodoc in document viewing. Like Google Docs, Bookpad enables customers create and format text documents online and also collaborate with other people in real time. But what differentiates the firm from global competitors is that it allows enterprises to modify the product as per their needs and promote their brand.

#### INFORMATION TECHNOLOGY

##### FACEBOOK RESEARCHERS MANIPULATED NEWS FEEDS IN 2012 STUDY

A Facebook Inc. (FB) researcher apologized after conducting an experiment that temporarily influenced what almost 700,000 readers saw on their news feeds, reviving some customers' concerns about privacy issues.

The number of positive and negative comments that users saw on their feeds of articles and photos was altered in January 2012, according to a study published in June in the Proceedings of the National Academy of Sciences. People shown fewer positive words were found to write more negative posts, while the reverse happened with those exposed to fewer negative terms, according to the trial of random Facebook users.

Adam Kramer, a Facebook data scientist who was among study's authors, wrote on his Facebook page that the team



was “very sorry for the way the paper described the research and any anxiety it caused.” The data showed that online messages influence readers’ “experience of emotions,” which may affect offline behavior. Some Facebook users turned to Twitter to express outrage over the research as a breach of their privacy.

### **MESSAGING SERVICE TANGO TO OFFER MEDIA CONTENT**

Tango, the popular mobile messaging app has struck deals with media companies including AOL (AOL.N) and Vevo to distribute content in a new effort to differentiate itself in the hotly contested mobile messaging sector.

Tango said its 200 million users worldwide will be able to browse new “Channels” for entertainment, news, sports and other categories to discover articles, videos and songs. Content providers so far include music streaming service Spotify, AOL properties including the Huffington Post and Dailymotion, the video repository.

For Tango, the media partnerships are critical for its ambitions to become an online media hub - and a differentiating feature from other messaging services such as Whatsapp, the startup acquired by Facebook Inc (FB.O) in a \$19 billion deal this year. Whatsapp, for instance, has focused exclusively on improving its text-based messaging service, while China’s Tencent Holdings (0700.HK) service, WeChat, touts the games it offers.

Having unique and rich content would provide a unique draw for users. At the same time, Tango’s messaging service provided the ideal platform to distribute content for media companies.

People realize that less and less time is spent on Web browsers, and all of the rest of the time is in apps. Facebook’s Whatsapp acquisition in February - the largest in history for a venture-backed company - cast a spotlight squarely on the promise and potential value of mobile messaging apps.

Tokyo-based Line Corp, one of Asia’s fastest growing messaging services, is considering an initial public offering this year, according to media reports.

Tango has been watched closely in Silicon Valley circles particularly after it received an investment exceeding \$200 million from Alibaba Group Holding Ltd IPO-ALIB.N in March, effectively cementing its ties to the Chinese e-commerce giant.

### **MICROSOFT: NEXT BREAKTHROUGH APP WILL COME FROM INDIA**

Microsoft has said the next breakthrough software application will come from India, which develops more than 10% of the apps and is home to one of the largest IT industries in the world.

The fact that more than 10% of the apps are being developed by Indian citizens is a great thing. People want to tap in and acknowledge the power Indian developers have. There is no secret that India has a lot of software developers.

India is not just to be known in making apps. People know that have great software developers. Now, the next step would be to have that breakthrough app that everyone in the world uses and it came from India. That’s a big thing.

Microsoft spends a lot amount of time on it. Microsoft, has focused majorly on the Indian market. In fact, many of its new products including that of Nokia, which it has acquired, are being launched in India ahead of their US launch. Microsoft is encouraging Indian developers to be innovative and come forward with their new ideas.

### **A WRISTBAND THAT TURNS YOUR ARM INTO A SMARTPHONE**

A tiny new wristband can project a tablet interface onto your arm, effectively turning it into a smartphone every time you twist your wrist.

The Cirect Bracelet, designed over the course of 6 months, comprises a pico projector and a row of eight proximity sensors that point towards the user’s forearm.

It operates as a standalone device and, when activated with a twist of the wrist, projects an Android interface onto the user’s arm. The proximity sensors detect where the user’s finger or fingers are and allow them to interact with the interface as they would any other Android device, ‘Gizmag’ reported.

The device will also allow the users to send and receive emails, browse the web and play games. It will also be possible for users to pair it with an existing smartphone, answer incoming phone calls and activate the speaker phone functionality on their smartphone.

The Cirect Bracelet features an accelerometer and a vibration module, along with an LED for notifications.



### HP HAVEN ONDEMAND

HP has punted its big data analytics platform, HP Haven OnDemand, into the cloud. The move will give customers access to key components of the Haven platform.

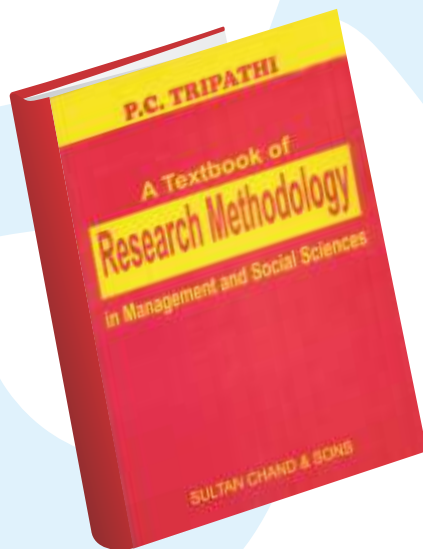
Running on the HP Helion cloud, Haven OnDemand will allow users to quickly and constructively analyse business, machine and unstructured data, while open application programming interfaces will let developers design new applications and services to exploit it.

Information services provider Thomson Reuters has already

been testing out the Haven OnDemand platform, using it to produce several new applications at a recent hackathon.

HP will be embedding its Haven assets deeper inside its software application portfolio with a number of offerings around analytics, via HP Vertica On Demand; big data web services for partners and developers, via HP IDOL On Demand; security information and event management (SIEM) via a new release of HP Arc Sight ESM; and intelligent retention and content management through a new software and storage solution that brings together HP StoreAll, HP Control Point and HP Records Manager.

## BOOK REVIEWS



### A TEXTBOOK OF RESEARCH METHODOLOGY IN MANAGEMENT AND SOCIAL SCIENCE

Author : P.C.Tripathi  
Publisher : Sultan Chand & Sons  
Edition : 7<sup>th</sup> Edition, 2014  
Pages : 367  
Price : ₹ 250  
Reviewed by : Ms. Ruchika Sharma, Faculty, DIAS

There are numerous students registered in various universities for doing research leading to Ph.D, M.Phil, or D.Litt degrees. Despite the increase in the quantity of social research in our country, the quality continues to deteriorate. There are two essential steps for an effective research. First, the research should be free from biasness and second the researcher should have adequate knowledge of research methodology.

The book under review has been written to capture the needs of the students as well as researchers. It has been divided into eleven chapters covering the syllabi of research methodology paper of various universities in the country. The text has two important features to help the readers to learn and understand the material more efficiently. It has specific part of research that is valuable for the reader but the readers are advised to go through the given references and also the set of questions given at the end of each chapter to test the knowledge of the readers themselves.

The first chapter is about the introduction and types of research, and the basics of conducting a research and cost involved into it. A research is futile if the problem and related hypothesis are not brought up properly. It's very important to define the problem that is achievable, valid and applicable in every term as it sets the future goal for the researcher as discussed in chapter 2 of the book.



Problem definition leads to the next step of the research that is data collection and analysis. There are number of techniques used by the researcher to collect and analyze the data.

The next few chapters deliberate upon the different quantitative and qualitative techniques for data collection. These techniques are well explored and presented in this book along with their advantages and disadvantages. Every part of the book is important for entire research and its effectiveness. Next is the challenge of selecting a sample from the universe that represents the entire population of interest under the study.

Chapter 7 gives the different probabilistic and non probabilistic techniques of research in detail along with a light on their merits and demerits too. The concepts like sampling plan, selection of sample, and various sampling errors that researcher must be aware of are also well covered in this chapter.

A questionnaire is a strong tool for data collection and thus needs altogether detailed attention of the researcher. The issue is how the questionnaire is constructed such that it helps in accurate analysis of data by generating right form of input for statistical analysis. This is only possible through proper definition to measurement scales and their applicability in research. Chapter 8 gives a picture of all the measurement scales available to the researcher and also explains validity and reliability constraints associated with them.

Once the data is collected and maintained by the researcher in the desired format there comes the next step of its analysis by the researcher. There are different techniques and statistical concepts such as mean, median, standard deviation, correlation, regression, kurtosis, skewness that are well explored in the proceeding chapters till chapter 12<sup>th</sup>. A brief of single, bivariate and multivariate analysis of data along with their statistical inferences has also been provided for ready reference.

Hypothesis testing is an integral part of any scientific research process. Hypothesis testing begins with some assumptions about the population parameter, and then uses the sample to compute a certain test statistics which will further decide acceptance or rejection of stated hypothesis. Statisticians have defined several tests of hypothesis that include parametric or non parametric tests of hypothesis.

Chapters 13 and 14 give details about hypothesis testing, applying one sample parametric test and two sample

parametric tests. Chapter 15 adds to the concept by explaining testing of hypothesis through non parametric tests including one sample and two sample tests along with K-Sample tests as the second part of the chapter.

Any research is incomplete or useless till the time it's not given a specific structure and presentation. It is very important to present it to the external audience or the group of interest so that it gives sufficient input to problem solving and further research in the area.

This is possible through writing a report on what has been done by the researcher and presenting it to the external world. Chapter 17 is interpretation, report writing and oral presentation that serve the strong basis for the judgment, applicability of current research and use for future research.

In all, the book is a good source of knowledge for the researchers to gain an insight into research and its allied concepts. The content is admirably presented and well aligned with the expectations of readers.



## INTERNATIONAL HUMAN RESOURCE MANAGEMENT

Author(s) : K Aswathappa & Sadhna Dash  
 Publisher : Tata McGraw Hill  
 Edition : 2<sup>th</sup> Ed., 2013  
 Pages : 398  
 Price : ₹ 495  
 Reviewed by : Ms. Tanvi Rana, Faculty, DIAS





The book under review incorporates the changes occurring in the field of International Human Resource Management. The authors have systematically presented all the concepts and principles with contemporary business examples from multinationals across the globe.

The book contains fourteen chapters categorized under four sections. Section I opens with the case study explaining the global perspective of today's business world and various HR related issues, the organization faces while operating in a globalised business environment.

Second chapter gives a theoretical backdrop on multicultural predispositions and dimensions.

Section two has three chapters namely nature of IHRM, international strategic human resource management and human resource management in cross border mergers and acquisitions. This section provides a deep insight on HR role in implementing the IHRM practices and various HR

interventions.

Section three elaborates the basic HRM functions performed by the HR manager in an international context starting with Staffing, Training & Development, Performance Management, International Compensation Management and handling International Industrial Relations. Additionally, the issues related to Repatriation and Inpatriation are also covered in this section. Basically, third section contains the very essence of IHRM.

The fourth and the final section covers three new chapters namely Ethics and Social Responsibility, future of IHRM and HRM Practice in different countries. The author has supported every core concept with a case study and suitable examples from the MNCs.

The exercise questions at the end of every chapter helps in self revision. The overall scheme of the book is good and reader friendly.



### MARKETING

Author : Paul Baines, Chris Fill & Kelly Page  
 Publisher : Oxford Higher Education  
 Edition : 2013  
 Pages : 697  
 Price : ₹ 745  
 Reviewed by : Ms. Roma Jaitly, Faculty, DIAS

The book under review is truly integrated print and electronic learning package for marketing modules. The main purpose of the book is to bring contemporary marketing perspectives to life of the students who are new to the concepts of marketing. Written by three experts in the field of marketing, the book is divided into five parts providing a big picture approach and introducing the field of marketing with the help of relevant case studies.

Part-I contains four chapters providing detailed information on basic fundamentals like marketing principles, marketing environment, consumer buying behavior and marketing research, Part-II comprises of three chapters explaining the trends in International markets and the popular STP approach used by the marketers, while Part-III includes six chapters which talk about the marketing mix and the various strategies used by the marketers in order to sustain in the market place. Part-IV has four chapters which highlight the importance of relationship marketing and the importance of providing services to the customers. Lastly, Part- IV which has three chapters elucidates the issues and practices related to modern marketing tactics.

The book contains current case studies of Wipro, Crompton Greaves, Jaquar, Adani, Leela Hotels, DLF etc. to name few



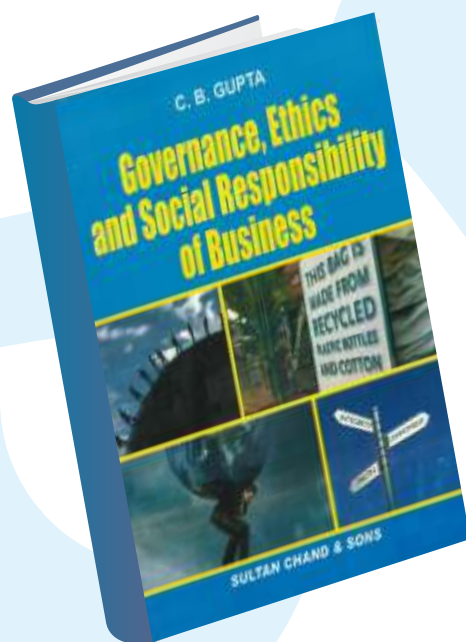
which will really enhance the problem solving abilities of students. It also contains suggested readings, review/discussion questions and other appendices to help the students in understanding the concept of marketing in a better way. The book has been written keeping in view the syllabi requirements of the various universities' students. The authors have tried to make a blend of theory and practice in a very simple language which has made the book more relevant for the students.

The book is also backed up by its online resource center which provides a test bank of questions to the students. Through this online resource center, the students can measure their level of learning and understanding of

marketing. Lecture and students can separately access the online resource center depending upon their requirements. Weblinks are provided wherever required to support the theory.

The book focuses on implementation and addresses the task of organizing and controlling global strategy, and attempts to provide a glimpse into the future of global marketing. Key features of book are its case insights, market insights, research insights, glossary and tips for enhancing skills for employment.

In all, the book is very useful for the students of graduate and post graduate courses and also for the people who are seeking a career in marketing.



### **GOVERNANCE, ETHICS AND SOCIAL RESPONSIBILITY OF BUSINESS**

Author : C.B.Gupta  
 Publisher : Sultan Chand & Sons  
 Edition : First, 2014  
 Pages : 207  
 Price : ₹ 176  
 Reviewed by : Ms. Shilki Bhatia, Faculty, DIAS

Corporate excellence is a destination which could be achieved through strictly adhering to the path of Corporate Governance and its real genesis lies in the business scams and corporate collapses. The administration of company affairs has become a complex issue in today's competitive world and this has necessitated bringing change in the state of mind and set of principles based on relationships.

The business world is often dominated by the idea of profit maximization and takes resort to many times of immoral and unethical practices. It is in this context that the business ethics becomes very crucial for the would be managers and business people. Hence, it has become a popular subject of study at both under-graduate and postgraduate levels in various universities and institutions in Indian and abroad.

The book titled "Governance, Ethics and Social Responsibility of Business" authored by Dr. C.B Gupta, is a well written book covering all the three aspects: Corporate Governance, Business Ethics and Corporate Social Responsibility in a comprehensive manner.

The book is divided into eight units. The first unit "Thinking Conceptually" highlights the concept of Politics, Liberty, Equality, Justice, Rights and Recognition and the ideas of a good society. Moral reasoning is equally significant a concept for improving the overall understanding of a human being and Unit II explains the concept with the different approaches in a very explanatory manner.

The author has discussed the concept of ethics in business in



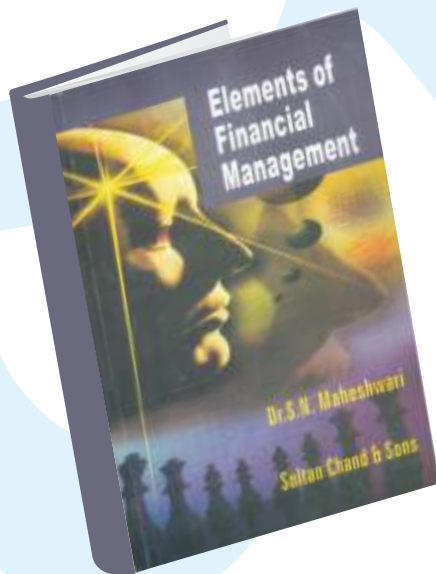
detail in Unit III containing six chapters and Unit IV with one chapter explains the concept of business ethics focusing on the characteristics, need and significance, factors influencing ethics and also the code of ethics to be followed by the corporate. The aspects of Environment, Accountability, Responsibility, Leadership, Diversity and Discrimination are explained in detail separate chapters. The principles and theories of business ethics have also been highlighted well.

After the detection of fraud in India and collapse of financial system world over, the confidence of investors in the corporate sector has been completely shaken. To keep the investors intact, strong corporate governance is not only indispensable but requires a renewed focus on transparency. Unit V-VII with seven chapters signify the concept of corporate governance in detail. The concept of insider trading, credit rating agencies, whistle blowing along with the major corporate scandals are the highlights of these units. Unit VII

explains the various codes of conduct and standards prescribed by various committees formulated to govern corporate governance.

In the last unit, the author clarifies the concept of corporate social responsibility, the arguments for and against this concept and how the concept is different from the other related concepts like philanthropy and sustainability. The models and drivers of CSR are well explained and ISO-26000 guidelines have been also given a significant mention at the end.

The book is written in a student friendly manner with the matter being presented in a simple language. The book is immensely useful to the students studying the subject. The discussion questions at the end of the chapter help students to learn and understand potential application of the material.



### **ELEMENTS OF FINANCIAL MANAGEMENT**

Author : Dr.S.N.Maheshwari  
 Publisher : Sultan Chand & Sons  
 Edition : Eleventh, Revised & Enlarged, 2014  
 Pages : 1410  
 Price : ₹325

Reviewed by : Ms. Neetu Chadha, Faculty, DIAS

Financial management is the operational activity of a business that is responsible for obtaining and effectively utilizing the funds necessary for efficient operations. It is one of the important parts of overall management, which is directly related with various functional departments like personnel, marketing and production. At present, every business concern concentrates more on the field of finance because, it is an emerging part which reflects the entire operational and profitability position of the concern. Deciding the proper financial function is the essential and ultimate goal of the business organization.

Now a days it has been enlarged with innovative and multi-dimensional functions in the field of business with the effect of industrialization. Every manager and executive should learn these new skills, techniques and multidimensional approaches to deal with the financial aspect of business. It is essential that they understand the impact on their organization's financial performance of every decision they make. So understanding the basic concept about the financial management becomes essential for the students of economics, commerce and management.

The book "Elements of Financial Management" is designed specifically for the business management and undergraduate students as it discusses the core concepts of financial



management with the right mix of theory and its practical application in student friendly manner. This completely revised Eleventh Edition of book covers recent developments in the finance field such as Agency Problem and shareholder's interest, Securitization, Factoring and Carbon credits.

This book consists of 16 chapters which are divided into four sections. The first section A is endowed with a conceptual framework which is considered to be basic for a finance student. It includes 4 chapters covering financial management basics, scope, time value of money, securities valuation and measurement of risk and return. Chapter 1 explains the meaning, scope, importance and techniques of Financial Management. Along with this, chapter also focuses upon Agency Problem that generally arises in those cases where the managers place their personal goals ahead of corporate goals.

Chapter 2 clearly explains the importance of Time value of money along with the reason for money having a time value and the various valuation concepts associated with it. While taking major financial decisions, the finance manager must keep the time factor in mind like when interest on funds will have to be raised and when return on investment will be received. Chapter 3 focuses on valuation models concerned with different securities. Chapter 4 provides an overall view of changing operating environment within which a business firm has to function. It also outlines the major areas with respect to risk and return regarding which the finance manager has to take decisions for maximizing the firm's wealth.

Section B inclusive of four chapters discusses the various techniques for efficient and effective management of funds. This covers different aspects of financial planning, capital structure theories, present capital structure practices in India, different sources of finance including specialized financial institutions from which funds can be raised in addition to the effects of financing or debt-equity mix on the shareholders' earnings. In order to achieve the goal of identifying an optimum debt-equity mix, it is necessary for the finance manager to be conversant with the basic theories underlying the capital structure of corporate enterprises. A business enterprise has to maintain a proper mix of both debt and equity in a manner that both the cost and the risk are minimum.

Manager is concerned with the financing as well as investment

decisions. Financing decisions have been explained in section B. Another important finance function, the Investment decision is clearly explained in section C. Also popularly termed as capital budgeting decision, it requires comparison of cost against benefits over a long period. Different Capital Budgeting techniques that help in solving the problems of investment decisions along with risk analysis are being clearly explained along with different examples. It is absolutely necessary that the method adopted for appraisal of capital investment proposals is a sound one.

Another chapter, dividend decision deals with the determination of dividend policy and various forms of dividends. The establishment of dividend policy is an important function of the finance manager since it determines the amount of profit to be distributed among shareholders and the amount of profit to be retained in the business for financing its long term growth. Section also familiarizes the readers with the provisions concerning issue of bonus shares and SEBI guidelines on right shares. The concept, importance and techniques to calculate cost of capital are also explained in the last chapter of this section.

Section D explains management of working capital, which involves management of different components of working capital such as cash, receivables and inventory. A brief description regarding the issues involved in the management of three important components of working capital is being discussed in this section in last three chapters of the book. In "Further Reading" and "Further Comments" in each chapter, students are taught how to integrate theory with practice in evaluating financial decisions. Discussion and assignment questions are provided at the end of each chapter to help students check their understanding of the topics learnt.

This book combines a rigor and practicality that few leading finance textbooks achieve. This book is about financial management and is intended for non-financial managers and business students interested in the practice of financial management. Book text has been written in a practical and intuitive manner with an emphasis on the managerial applications of financial management. Each financial function is discussed in the most lucid and concise manner to help students improve their basic skills in financial management. Each chapter begins with learning outcomes and includes margin notes to give a quick view of the chapter.



## Scholastic Impressions

### MANAGEMENT

#### FIVE THINGS TO AVOID WHEN USING ASSESSMENTS TO FIND THE RIGHT TALENT

The article illustrates the five significant ways through which the assessment tools can be used effectively in the process of hiring and finding the right fit for the organization. The key to successful implementation of an assessment program is to use valid, reliable and legally sustainable tests in hiring employees. To use these tests in the ways for which they were intended, the following should be considered:

- The assessments that are not related to the job one is filling should not be included.
- The assessment programs that cause excessive adverse impact should not be a part.
- The assessments for non-intended purposes should be excluded.
- The assessment in a vacuum should be avoided.
- The assessment should not be used inconsistently

The assessment tools used for hiring purposes should not be unrelated to the job role for which the hiring is done. The usage of such tools in a manner that does not cause any adverse impact on the candidate thereafter should be the prime concern for all the companies. Moreover, the vague tools must not be implemented, they should assist in finding the right fitment for the organization and consistency of the tools used should be maintained throughout the process.

When used correctly, assessments play an important role in helping the organization in selecting the right people for the organization. The article also states that the Assessment Network (pan) is the human resource technology that provides a non-stop-shop for all assessment needs on an easy-to-use, intuitive platform. This is the only tool that provides on-demand solution with content from hundreds of leading assessment publishers that can easily be implemented within the organization to help meet the employee hiring and development goals.

Ms. Shilki Bhatia, Faculty, DIAS  
(For full text, please refer to HR Magazine, June 2014)

#### SECOND INNINGS : A GOOD HR PRACTICE FOR GROWTH

Ms. Mansi

The organizations these days are witnessing the escalating growth and strategic continuous improvement by focusing on the strategy of rehiring of the former employees. This concept gained strength from the changing environment where stability and dissatisfaction among employees has become the concern of the company's in terms of talent management. Companies like HP and Gensler have shown Boomerang rates as high as 12%. Therefore, the organizations have started inviting the former employees to the organization and the concept is called as "second-innings" or "Boomerang hiring". This article throws light on the reasons of hiring employee, how to attract them and things to take care of at the time of their come back.

The paper suggests the suitability of Boomerang hiring on number of grounds. First, education in the recruitment cost including third party hiring. Second, it is much more informed decision for both the parties i.e. organization and the alumni's since both of them are known to each other. Therefore, hiring decisions is made with a lot more information than what is captured on a resume.

This will result in increasing the retention rate as the returning recruit knows what he or she is signing. For making a former employee come back, certain things are required to be considered like their temperament, attitude of the existing employees, nature of the project and so on. The organization needs to look for alumni in order to resolve the concern of increasing cost, client and customer satisfaction.

In conclusion, the author says that the rehiring has become a right blend to maintain and sustain the growth of the organization and as well as of the employee. The employers need to cultivate few steps before bringing the alumni back to the organization namely, keeping an association with the former employees, check whether employee is worth rehiring or not, adopting a welcoming approach for the employees and making the ex-employee familiar to the organization and existing employees.

Ms. Tanvi Rana, Faculty, DIAS  
(For full text, please refer to MERI-Journal of Management & IT, April 2014, Vol. 7, No.2, Page No. 13-17)



### PEER INTERACTION AND ITS INFLUENCE ON FAMILY PURCHASE DECISION: A STUDY AMONG INDIAN TEENAGERS

Rashmi Singh  
J.K. Nayak

The main objective of the study is to find out the impact of teenager-peer interaction and enduring product involvement in the family purchase decision for the electronic products. The study aims to expand the domain of consumer decision making by including a broader range of teenager influence and the product involvement in day to day life. The study is conducted in India and a sample size of 230 students has been taken. Advanced consumer socialization of teenagers, greater freedom given to teenagers, high divorce rates result in greater influence of the teenagers on family decision making. Teenagers influence the parental decision-making by exerting pressure. In most of the cases, the teenagers also have pocket money and they directly purchase the products. The outcome of the study has practical and theoretical significance in the field of consumer purchase activities. As per the findings, it can be concluded that the more the teenagers interact with peers, the more he contributes in the initiation stage of the family decision making process. So, during the teenage years, the peer act as an influencer and marketing deeds must consider this stimulating effect.

Ms. Roma Jaitly, Faculty, DIAS  
(For full text, please refer to Vision-The Journal of Business Perspective, Volume 18, No.2, June 2014, Page. No.81-90)

### MACROECONOMIC AND MONETARY DEVELOPMENT 2014-15 (AN UPDATE)

The Monetary Policy statement of January 28, 2014 consisted of a detailed assessment of macroeconomic and monetary developments. To update the readers on various economic parameters detailed information on following issues has been furnished;

- Recovery in global economy is on track, while tightening financial conditions & divergence in inflation is posing risk.
- The Indian economy is set on deflationary path as policy action has rebuilt buffers to cushion it against financial spillovers. Monetary policy has to take care of supply side constraints on long run growth.
- Since structural constraints affect potential output, growth rate has lowered.

- Agriculture sector has witnessed record production & has helped in implementation of National Food Security Act.
- Industrial growth is stagnant as capacity utilization remained range bound.
- Services sector indicated an uptick and employment scenario is showing signs of gradual recuperation.
- Aggregate demand continued to moderate and aggregate sales growth of large companies decelerated.
- WPI inflation moderates significantly but fuel inflation remains high. The wage price spiral pushed up CPI inflation as well.

Dr. Anju Batra, Faculty, DIAS  
(For full text, please refer to RBI Monthly Bulletin, April, 2014, Page No. 11-26)

### AN ANALYSIS OF EFFECTIVENESS OF BANCASSURANCE AS A DISTRIBUTION CHANNEL IN INDIA

Bancassurance, which basically involves banks acting as corporate agents for insurers to distribute insurance products, has evolved as a strong distribution channel in many countries. Following the deregulation of the Indian insurance industry and the amendment of the insurance law, Indian Banks have been looking towards bancassurance as a logical step in the expansion of their business and have planned to venture into this lucrative segment which has hitherto been dominated by few public sector companies. Similarly, new insurers have also viewed banks as an ideal mechanism to gain distribution power.

The paper has examined the relatively new trend in insurance distribution channels alternative; namely, Bancassurance: its role, benefits, implication, and problems in India. Bancassurance is a new buzzword. While Bancassurance has developed into tremendous success story in Europe, it has been constrained by legislation in USA and Canada. It is a relatively new concept in Australia and Asia. However, a sea change in the financial service industry is imminent with banks and insurance companies increasingly realizing the strategic significance of bancassurance in the future viability of their businesses. The main reason behind the bancassurance partnerships in India has been the fact that the banks and insurance companies, both tend to lose nothing. So, marketing of insurance products and earning an additional income is a blessing for the banks. Private sector banks and private sector



insurance companies have been more active, and therefore, beneficiaries of bancassurance. Further, research is needed to investigate the relative failure of public sector with regard to bancassurance. Bancassurance offers huge business potential for banks and insurance companies because of growing banking and insurance sector and growing economy.

Ms. Neetu Chadha, Faculty, DIAS  
(For full text, please refer to "Delhi Business Review", Jan-June 2014, Vol 15, No. 1, Page No.: 41-52)

## INFORMATION TECHNOLOGY

### SECURITY IN SOFTWARE DEVELOPMENT

*Sunil Bakshi*

The unprecedented growth in information technology has changed the very face of the business delivery. Multiple channels like internet, mobile applications are being used by various organizations to provide business services. Banking services have gone extra mile to ease out life of the customers with ATM, National Electronic Fund Transfer (NEFT), Real time Gross Settlement (RTGS) etc. However, threats and vulnerabilities are posing great challenges to the security of information.

Open Web Application Security Project (OWASP) identified top ten threats to information security as SQL injection, Broken authentication and access, Cross site scripting, insecure Direct Object, Insecure Direct Object References, Missing functional Level Access control, Security Misconfiguration, cross Site Request Forgery Components with known vulnerability and invalidated Redirects and Forwards.

Once a software is developed, it is tested for security lapses and corrective measures are taken based on the reports generated after testing. This kind of security measures incur high cost.

This article discusses an alternate technique of Secure Software Development Life Cycle. Generally the penetration testing that detects the security lacuna is done once the software has been completed and if a lapse is found then entire code is re-inspected to find the error and bug fixing is done. In secure SDLC, security is embedded within application development.

In secure SDLC, the first phase i.e Requirement Definition phase addresses the need of identification of security requirement including compliance for privacy and data loss, to determine risk associated with security and preparation of mitigation plan. Design phase considers access controls for privacy of sensitivity as well as controls for to handle possible attacks, the same being implemented in development phase. Security coding practice such as input data validation and avoiding complex coding are main features in this phase of secure SDLC. The testing Phase reviews the code for compliance of secure coding practices and test cases are developed for security testing. Finally, the maintenance phase monitors for vulnerabilities on a continuous basis and evaluates the effectiveness of countermeasures periodically. Organizations must adopt standard coding practices that can prevent security flaws being introduced within the application. For example, input validation itself can prevent 80% of security vulnerabilities being introduced.

Further, research has shown that education and awareness of developers improves the quality and security of the application proving that preventive techniques are more efficient than detective techniques.

Ms. Tripti Mishra, Faculty, DIAS  
(For full text, please refer CSI Communications June 2014, Page No. 11)

### ULTRA PRIVATE SMARTPHONES

*David Talbot*

With the advent of personalization and customization on web, privacy and security are concern now. The article describes a phone which puts privacy and security ahead of all other considerations. The articles discusses the fact that not only could the government collect browsing history and information but websites, advertisers, and even retailers trying to track movements within online stores. Modern smartphones and the apps running on them are engineered to collect and disseminate enormous amounts of user data—such as location, Web browsing histories, search terms, and contact lists. So to put back the control of the user data, Zimmerman proposed a smartphone called Black phone. The article discusses the features and implication of the proposed project.

Blackphone offers a simple and secure starting point for communication. It combines a customized operating system, PrivatOS, with applications that are designed to optimize



privacy. It is built from the ground up to be secure by design. It encrypts all communications and blocks the tracking of Web browsing and search terms. It even blocks extraneous Wi-Fi beacons from the phone, as they tend to leave a detailed record of phone's movements. Tools built into the Blackphone include Silent Circle apps, which encrypt voice, text, and e-mail; anonymous search and private browsing tools from a company called Disconnect; and secure cloud storage from another partner, SpiderOak. Because encrypted communications work only when both parties use it, Blackphone includes three "friends and family" subscriptions for Silent Circle apps.

The author not only described the features but also the leaks phone can have. The phone is resistant to everyday threats like hacking and snooping by data brokers but is NSA-proof, and it could have problems by external application downloads. Also, Blackphone doesn't protect e-mail on its own whether the e-mail uses encryption technology such as PGP depends on e-mail provider.

The article also compares other smart phones which are trying to implement similar features like Open Whisper Systems encryption system for Android calls. But the author still feels it is an uphill battle to make people believe there was a need for this kind of technology.

Ms. Disha Verma, Faculty, DIAS  
(For full text, please refer to MIT Technology Review, Vol. 117, No.3, May/June 2014, Page No. 34-37)

### EVALUATION AND COMPARISON OF FEATURES OF BRAIN MRI

Anamika Ahirwar, and R.S. Jadon

The science and engineering behind the sensors, instrumentation and software used to obtain biomedical imaging has been evolving continuously since the x-ray was first invented in 1895. Modern x-rays using solid-state electronics require just milliseconds of exposure time, drastically reducing the x-ray dose originally needed for recording to film cassettes. The image quality has also improved, with enhanced resolution and contrast detail providing more reliable and accurate diagnoses.

Digital imaging gave rise to the CT scanner allowing physicians to watch real-time x-rays on a monitor—a technique known as x-ray fluoroscopy—to help guide invasive procedures such as angiograms and biopsies. No longer limited to simple anatomical imaging, current research

is focusing on what can be gleaned through functional imaging. Biomedical engineers are using CT and MRI to measure the blood perfusion of tissue; especially important after a heart attack or suspected heart attack. Researchers are also using functional MRI (fMRI) to measure different types of brain activity following strokes and traumatic head injuries.

Biomedical image processing is similar in concept to biomedical signal processing in multiple dimensions. It includes the analysis, enhancement and display of images captured via x-ray, ultrasound, MRI, nuclear medicine and optical imaging technologies.

The various image edge detection techniques presented by making GUI using MATLAB 7.0. Image reconstruction and modeling techniques allow instant processing of 2D signals to create 3D images. When the original CT scanner was invented in 1972, it literally took hours to acquire one slice of image data and more than 24 hours to reconstruct that data into a single image. Today, this acquisition and reconstruction occurs in less than a second.

Rather than simply eyeball an x-ray on a lightbox, image processing software helps to automatically identify and analyze what might not be apparent to the human eye. Computerized algorithms can provide temporal and spatial analysis to detect patterns and characteristics indicative of tumors and other ailments.

Depending on the imaging technique and what diagnosis is being considered, image processing and analysis can be used to determine the diameter, volume and vasculature of a tumor or organ; flow parameters of blood or other fluids and microscopic changes that are yet to raise any otherwise discernible flags. The GUI is easy to open and process different image file formats for different sizes such as BMP, GIF, and JPEG images. It is easy to run the GUI including the whole view of the menu items, figures and functions.

Ms. Dimple Chawla, Faculty, DIAS  
(For full text, please refer to Indian Journal of Computer Graphics and Visualization, January-June 2014 Vol.4, No. 1, Page No. 5-16)

### A MULTI-AGENT BASED PERSONALIZED SEARCH ENGINE WITH TOPICAL CRAWLING CAPABILITY

Disha Verma, Kanika Minocha, Barjesh Kochar

The web search engine services have a vital role, since they form an information broker between the user and the huge





amounts of disseminated information. The article describes the growth in web content and user preferences; a single keyword produces millions of results. Conventional search engines aim at fetching maximum results which match the specified keyword. The research proposed a search engine which produced fewer but personalized results. The author proposed a search engine which had a layered architecture (multiple agents) which personalized the results on the basis of different parameters and domain. The domain under consideration is education. The search engine was merger of client side and server side personalization. The search engine personalized results on the basis of user browsing history and explicit profile created by him. The server side personalization worked on the profile created by him whereas users browsing pattern would be stored in his personal computer in form of cookies. For maintaining the speed and reliability, the technology used in computation is in-memory data grid.

Vertical search engines focus on a single domain or industry whereas personalized search engine cater to personalized user needs and interests. Personalization of search engine filtered the useful information for the end user based on the user's interest. Personalization process extracted user's preference implicitly and provided an immediate response by filtering and re-ranking the results with respect to individual user's interests. Another aspect of search engine was the topical crawling or domain specific searching. Topical Search engine also referred as specialty search engine focuses on a specific topic like business, academia etc.

The article focuses on developing an intelligent search engine based on multi-agent system which ranks the page on the basis of cumulative score of multiple agents: Category agent, Personalization agents group. Category agent will provide the capability of topical crawling and personalization agents group will help to filter search results based on user's interest.

The author concluded that the search engine will fetch results from search engines like Google and will then refine the results according to user preferences and choices. User also has a choice for levels of personalization according to the information provided by him, though the major focus would be academia searching. A vision for the system would be inclusion of user search profile sharing system.

Ms. Neha Rajan, Faculty, DIAS  
(For full text, please refer to The IUP Journal of Computer Sciences, July 2014)

## VISUAL CONCENTRATION BASED ON BAG OF WORDS IMAGE INDICATION FOR OBJECT DETECTION

Yang Li

Object discovery constitutes one of the basic problems in computer vision research area and it has a wide range of applications in civil and military use. Over the last decade, the object discovery problem has drawn considerable attention within the computer vision research community and as a result, much progress has been made.

In order to facilitate the property of the object detection, this research article has proposed a Bag of Words image indication method aroused by visual concentration which could apply computational visual version concentration technology to the indication of images.

A computational visual concentration model was built on the authentic eye chasing data. By using this concentration model, one can discern the most salient regions from the images.

Next, it indicates the image by emphasizing the graphic words within these regions. Then accordingly, Bag of Words image indication with more discriminative power can be obtained. Meanwhile, this method can also reduce the disorder trespassed by the backdrop on the images.

The proposed method gives the visual words on the salient object a higher weight, based on the saliency map obtained by the visual attention model, thus boosting the performance of the object discovery algorithm by reducing the interference of the non-salient regions (on which mostly are backgrounds).

With the guidance of the visual attention model, beyond discovering the objects, their locations can be found. The experimental results showed that the proposed method boosts the performance of the object discovery algorithm.

With this kind of visual attention model, it may help the object discovery works better for finding specific category of object. Moreover, some mathematical optimization method can improve this algorithm.

Ms. Anita Yadav, Faculty, DIAS  
(For full text, please refer to International Journal of Research in Computer Science (IJORCS),  
Volume 4, Issue 4, 2014)



## SECURITY ISSUES IN CLOUD COMPUTING - A REVIEW

*Irfan Hussain and Imran Ashraf*

Cloud Computing is the most emerging trend in Information Technology now a days. It is attracting the organizations due to its advantages of scalability, throughput, easy and cheap access and on demand up and down grading of SaaS, PaaS and IaaS. Besides all the salient features of cloud environment, there are the big challenges of different security issues like trust, confidentiality, authenticity, encryption, key management and resource sharing.

Trust between customer and service providers is the main issue faced by cloud computing now days. Customer is never sure whether the Service is trustworthy or not, and whether his data is secure from the intruders or not. The customer and Service provider are bound by Service Level Agreement (SLA) document. But unfortunately there are no standards for SLA. Confidentiality means to prevent the disclosure of private and important information. Since all the information is stored on geographically dispersed locations, confidentiality becomes a big issue. Many methods are used to preserve confidentiality from which, encryption is the widely used method. But it is relatively an expensive method. Integrity is also a main issue faced by cloud computing. It refers to the improper modification of information. As the data resides in different places in a cloud so the access control mechanism

should be very secure and each user must be verified as an authentic user. Encryption is the most widely used data securing method in cloud computing. It has many drawbacks. It needs high computational power. The encrypted data needs to be decrypted every time when a query is run so it reduces the overall database performance. While doing encryption, we need encryption/decryption keys and managing these keys itself is a big security issue in cloud environment. Storing these encryption keys on cloud is a bad option. It is easy to store single encryption key but for the real time systems it becomes a complex task to store these keys. In a cloud environment, different resources and services are shared among different applications at different geographic locations. This is done to solve the issues of resource scarcity and to eliminate cost that is the main purpose of the cloud. But the sharing of the resources of an organization gives birth to confidentiality issues.

Cloud computing is relatively a new and widely emerging domain and it must have to overcome the security issues in order to be more and more prominent technology of the future.

Ms. Sonia Gupta, Faculty, DIAS  
(For full text, please refer to International Journal of  
Advanced Networking and Applications, Volume 6, Issue 2,  
Sep-Oct 2014, Page No. 2240-2243)

## Feedback From Employers

**Poonam Gupta (2011-14)** has good analytical skills and ensures activities are tracked till the closure.

*Tushar Dharurkar, Associate Process Manager  
eClerx Services*

**Ketan Tomar (2007-2010)** is hard working and does not hesitate to take up new challenges at work. With this attitude, I am confident he'll do pretty well.

*Mr. Vikas Malik, Project Manager  
Nagarro Softwares Pvt. Ltd.*

**Deepak Sharma (2007-2010)** is instrumental in "Team Dashboard" application which he has developed to monitor the applications support issues. He is very quick learner and able to resolve the issue very fast. Within a very short span of time he has grasped few of Logistics applications (supported by our team), NCR processes etc. I am proud to have him as a part of my team.

*Arun Kumar Punhani, Delivery Manager  
NCR Corporation India Pvt. Ltd.*



## The Men In News



### MUKESH AMBANI

*He didn't tell me how to live, He lived and let me watch him do it – Clarence Budington*

India is a country where people believe in hard work and more so in destiny. Very often, we come across names of individuals who have made a niche for themselves from literally rags to riches. Not only these make a fascinating narration for future generations but become a motivation for people who are strong willed and determined.

Late Sh. Dhirubai Ambani was a self made man, his life story a great adventure in itself. He proved that nothing works like do it now attitude and today, when he is no more, his children are keeping his legacy alive, adding more achievements and reaching new heights.

His elder son, Mr. Mukesh Ambani, is a person who not only left his studies midway to join his father in business but took

their joint venture, Reliance to the pinnacle of success.

He did his schooling from Hill Grange High School, Mumbai. Graduated in Chemical Engineering from the Institute of Chemical Technology, Matunga and would have been a Masters if he had not dropped out of Stanford University to help his father build Reliance in 1981.

It is no secret that Mukesh Ambani has left no stone unturned to make Reliance a winning endeavor. What started as a journey from textiles to fibres and further into petrochemicals, petroleum refining continued with oil and gas exploration with production. Feather into cap was, setting up of Reliance Infocomm Limited, now Reliance Communication Limited which is focused on information and communications technologies.

World's largest grassroots petroleum refinery, with a capacity to produce 33 million tones per year, integrated with petrochemicals, power generation, port and related infrastructure was led by him in 2010 at Jamnagar, India.

He has announced the possibility of a "collaborative venture" with Bharti Airtel in setting up digital infrastructure for the 4G network in India by 2015 at the Progressive Punjab Summit at Mohali in 2013.

Addressing the 40<sup>th</sup> AGM of Reliance Industries, he has announced the plans to invest Rs.1.8 lakh crore across businesses with the launch of 4G broadband services. It looks that Reliance is going to break-into top 50 companies of the world.

He has held many designations since his joining the business such as Member of Board of Governors, UDCT, Mumbai, Chairman, MD, Chairman of Finance Committee and Member of Employees Stock Compensation Committee, Reliance Industries Limited, Former Chairman, Indian Petrochemicals Corporation Limited, Former Vice Chairman, Reliance Petroleum, Chairman of the Board, Reliance Petroleum, Chairman and Chairman of Audit Committee, Reliance Retail Limited, and Chairman, Reliance Exploration.

It should not come as a surprise that he has been ranked 37 on Forbes list of the world's most powerful people and has been included in the list of "68 people who matter most".

He is India's richest man, second richest in Asia and listed as the 19<sup>th</sup> richest person in the world. He is also one of the



richest sports owners in the world. The Mumbai Indians team of Indian Premier League is owned by Reliance Group and Mukesh's wife, Mrs. Neeta Ambani personally takes interest in the teams' events. It is no secret that she is an integral part of the Reliance empire and walks shoulder to shoulder with her better half.

Reliance Industries runs a philanthropic foundation which focuses on healthcare, education, cornea transplants, and publishes a Hindi newspaper in Braille. Ambani's are planning on setting up a University in Maharashtra after successfully running a school.

The latest jewel to the crown of Reliance Industries Ltd. is the takeover of India's largest media company "Network 18 Media and Investments Ltd. which owns multiple TV channels, magazines, websites and other business.

It will be for the first time when a business empire will take over media business. This event has given rise to many questions and queries as to the freedom regarding working of media but knowing the working style of Mukesh Ambani, it would not be a surprise to see the ball rolling before onset of any bitterness at any level.



**NEYMAR DA SILVA SANTOS JUNIOR**

**"I may win and I may lose, but I will NEVER be defeated"** – Emmitt Smith

Sports is an area with a larger than life continuum (spectrum). It is a mixture of spirit & grit. There are many games which have become a rage worldwide and one such is Football. It brings the whole world together when it's time to cheer. As you can combine *football* and *Beckham* together, a name pops up in mind and that is *Neymar*.

He was born to Neymar da Silva, Sr. and Nadine Santos. He inherits his name from his father, a former footballer who now not only is his advisor but looks after all the dealings of Neymar.

He combined his love of futsal and street football while growing up. He became a father at the age of 19 and takes his responsibility seriously. He is said to be a strong believer in faith and reportedly donates one tenth of his income to church.

Neymar Jr., is a Brazilian professional footballer who plays for Spanish club FC Barcelona and as a forward or winger for the Brazilian national team.

He is known for his dribbling skills, ability to use both feet, his acceleration and finishing. This has earned him fame not just from fans and media but from former players along with being compared to *Pele* and being called "he will be the best in the world" by Ronaldinho.

Neymar primarily plays as either a central striker, winger or occasionally as an attacking midfielder and has been described as "a true phenomenon".

He often plays as a left sided forward for both club and country in the team's 4-3-3 formation, drifting infield due to his energetic pace and playmaking skills. Neymar's dribbling skills and playmaking ability are reminiscent of compatriot Ronaldinho.

His common traits are his creativity, passing, finishing, dribbling, feints and technique, being described as both "electric" and "explosive". He commented on his attributes saying: "I'm always trying to perfect everything – dribbling, shooting, headers and control. You can always improve". Neymar stated that he has been inspired by Lionel Messi, Cristiano Ronaldo, Andres Iniesta, Xavi and Wayne Rooney.

Destiny has bestowed him with wins since he reached the age



of 19 wherein he won the 2011 South American Footballer of the year award, nominations for the FIFA Ballon d'Or, FIFA Puskas Award for Goal of the Year.

He joined Santos, a Brazilian professional football club in 2003, raised through the ranks, got promoted to the first team squad & made his debut in 2009. He was voted the Best Young Player of the year in Campeonato Paulista. Awards followed him at galore. He received the Bronze Ball in the 2011 FIFA Club World Cup.

He was the top scorer of the 2011 South American youth Championship. He was selected for the Brazil squad of the 2013 Confederations Cup on home soil. He was assigned the iconic number 10 Shirt for the same on the home soil.

He was awarded the golden ball for the best player of the tournament. He scored four goals in the 2014 FIFA World Cup before he fractured a vertebra in his spine during the quarter-finals and missed rest of the tournament. Not only he received the Bronze Boot as the top third goal scorer but was also named in the World Cup All Star XI.

He is the sixth highest goal scorer for his national team. *SportsPro* named him the most marketable athlete in the world and was ranked by *The Guardian* as the sixth best player in the world. He rejected bids for him from various clubs as he said he wanted to concentrate on becoming best player in the world.

Like any successful person, his life is also not free from controversies. He has been reported to have tiffs with his manager, complaints against him being turned down by the management and such. The transfer fee that Barcelona paid for him is being investigated by the prosecutor's office.

He became part of a controversy due to a cover by Brazilian football magazine *Placar* that depicted Neymar on a cross wherein the title read "A Crucificação de Neymar" (the Crucifixion of Neymar) and subtitled: "the Brazilian ace turns scapegoat in a sport where everyone plays dirty"

He has been ranked 13 in the world's richest players by *France Football* in 2012 with a combined income from salaries, bonuses and off-field earnings of \$18.8 million for the previous 12 months.

He has signed number of sponsorships with likes of Nike, Panasonic, Volkswagen, Tenys Pé Baruel, Lupo, Ambev, Claro, Unilever and Santander. Advertising agency Loducca, created Neymar's own personal brand logo, featuring the N, J and R (Neymar Junior) with the N styled to match Neymar's shirt number 11.

He starred in an advert for Beats with other global football players in 2014 with the theme of "The Game Before Game". He has featured on front covers of video games as well as magazines. He is the first Brazilian athlete to be featured on the cover of *Time* magazine. The issue included an article by Bobby Ghosh entitled "The Next Pelé" subtitled "How the career of Brazilian football star Neymar explains his country's economy".

Brazilian cartoonist Mauricio de Sousa released a *Monica's Gang* comic book featuring a younger version of Neymar (called *Neymar Jr*) as the main character. Neymar appeared with supermodel Gisele Bündchen on the front cover of *Vogue's* Brazilian edition in 2014.

He is musical icon promoting Brazilian modern pop music, particularly *Musica setaneja*. His dancing video in the Santos locker room in front of his teammates and making them react to the tune of Michel Telo's hit "Ai se eu te pego!" went viral. He makes guest appearances at various concerts and participates in videos too.

Neymar is a loved name both in the sports world and out of it. The chapters of his future are sure going to be worth reading with a new addition and improvement to each new one.

**Ms. Rita Sharma  
Accounts Assistant, DIAS**



## Alumni Speaks

As a fresher when I entered DIAS, there was a lot of excitement as well some anxiety in my mind. We discovered that DIAS was very different from other colleges, whether in terms of classes, faculty or placement activities.

There were continuous classes and a lot of support from our teachers. DIAS has everything that an excellent institution can have. We have had 2 great years of study and learning experience.

I personally will always remember the great things about DIAS and feel lucky enough to be a part of it.

**AJAY SINGH**  
MBA 2012-14

The last two years which I spent in DIAS were quite amazing. The teaching pattern adopted by the institute is quite good and the fact that one has to attend minimum 75% of classes have actually made me punctual and this will help me in my career.

Apart from academics, the seminars, the competitions and other events conducted by the institute are quite exemplary. DIAS has definitely made me a better individual and helped me in expanding my horizons.

**AAKASH KUMAR**  
MBA 2012-14

When I joined DIAS I was confused about my decision of taking admission here. But with the passage of time, I realized nothing can be good than the life of DIAS. I really enjoyed the discipline, punctuality and the academics; it was quite different from entire student's life. I have participated in many activities like street play, one act play, poetry and creative writing. Before this I had never participated in such kind of activities and I realized that I have some talent just because of the motivation which was given by DIAS and my friends in DIAS.

So, in all prospects, it was a life changing experience and I am sure that I have got the direction in my life. I will always cherish my two years which I spent at DIAS.

**KRISHAN**  
MBA 2012-14

Being associated with DIAS has been one of the life changing experiences in my life. The days, hours, minutes even seconds I spent in this college hold due importance in my life. Not only had the education received brought about a revolutionary change in the way I approach things. But the loves, affection, care and never say "no" attitude of the faculty towards the students, standing out for them in each and every aspects of need was something to be cherished. DIAS brought up a sense of confidence and personality upliftment in me. I am really grateful to the excellent faculty of DIAS for being supportive in throughout my stay in DIAS.

**AKUL MASSON**  
MBA 2012-14

My experience was very good in DIAS. I really miss all the teachers as well as my friends. We spent a lot of time in college studying and enjoying little moments. My teachers were all good and helped us in achieving our goal. At the time of Ecstasy, we were deeply involved in making it successful. I am very grateful to DIAS that it helped me to successfully achieve my goal. I will never forget those moments spent in DIAS. Thank You DIAS

**MUKUL SHARMA**  
MCA 2009-12

I spent 3 years in DIAS, 3 wonderful years of college life. Classes changed, teachers changed but the love, affection and the conducive environment remained the same. The institute was second home in these years. For every student, their institute is the best one but I still believe the experience DIAS has given me has been the best one. From infrastructure to staff, everything was just perfect. I have to mention about teachers. It was my privilege that I got their guidance. Naming a single teacher is not possible because each one of them played a different role in structuring me. I could go on, but nothing can describe DIAS in words. I wish I could relive those moments. My advice to juniors is that "Relish your moments in college now, as the time won't return even if you want it to". If I had to describe DIAS in one word, it would be "Quality".

With best wishes to the whole family of DIAS, a proud DIAS alumni!

**RITU GOEL**  
MCA 2009-2012



## STUDENTS' SECTION

### CASE STUDIES

#### BHARTI WAL-MART: THE CASE STUDY

Ms. Neetu Chadha<sup>1</sup>, Ms. Aarushi Gupta<sup>2</sup>, Ms. Radhika Singhal<sup>1</sup>  
<sup>1</sup>Faculty, DIAS, <sup>2</sup>Student, DIAS

##### WAL-MART

Wal-Mart Stores, Inc., known as Wal-Mart is a U.S multinational retail company that runs huge number of departmental stores and warehouse stores that offer huge discounts. According to the Fortune Global 500 list of 2014, it is the world's largest public corporation, and also the biggest employer with nearly 2 million people working under them, also the largest retailer in the world. Wal-Mart is a family-owned business, and the company is owned by the Walton family, who has share of 50 percent of Wal-Mart. It is one of the world's most valuable company. Wal-Mart operates stores like discount stores, Superstores, Nearby Markets and Sam's Club locations in the US. The Company operates in Brazil, China, Canada, Guatemala, Argentina, Japan, Costa Rica, El Salvador Mexico, Nicaragua, Honduras Puerto Rico and the United Kingdom. It's securities are listed on the New York Stock Exchange under the symbol WMT.

##### BHARTI

Bharti Enterprises is an Indian business conglomerate which is headquartered in New Delhi, India. It was founded by Sunil Bharti Mittal in 1976 and it operates business in 20 countries of Africa and Asia. It owns many businesses in financial services, telecommunications, retail and manufacturing. It is one of India's leading business groups with varied interests in agribusiness, telecommunications, retail and insurance. It has been a change agent in the telecommunication sector with many innovations to its tribute. It is one of India's leading private sector which provides telecommunications services with an average of 44.67 million customers connecting mobile, fixed line, broadband services. It was recently graded amongst the best performing corporates in the world in the Business Week IT 100 list. Bharti Tele technology is the country's biggest manufacturer and exporter of telephone terminals. The company has a joint venture with ELRo Holdings India Ltd. – 'Field Fresh Foods Pvt. Ltd' and with many more industries.

##### WAL-MART AND BHARTI GROUP MERGER

On August 6, 2007, Bharti Enterprises and Wal-Mart Stores announced that they have signed an agreement of a joint venture for wholesale cash-and-carry and back-end supply chain management operations in India named Walmart-Bharti Private Limited, in accordance with the Government of India rules and regulations. Under the agreement, Bharti and Wal-Mart both will hold equal stake in Bharti Wal-Mart Private Limited.

Wholesale business of Walmart gave opportunity to small retailers and wholesalers to expand their business and become profitable. Bharti Walmart's business-to-business wholesale venture had provided owners quality products that served kirana stores, fruit and vegetable vendors, resto and other businesses. It also served other retailers such as Bharti Retail, which was setting up a chain of stores in India that was fully owned and operated by Bharti. The wholesale venture invested in setting up an efficient supply chain. The supply chain connected farmers and small traders directly to retailers, thus maximizing value for them on the one end and retailers, and in turn, ultimate consumers or the users on the other.

The venture supported farmers and small traders who had narrow infra and distribution line, and the supply chain enabled least wastage, mainly of fresh foods and vegetables. It was predicted over the next seven years from 2007, the venture was expected to open 10 to 15 wholesale cash-and-carry facilities and employ approximately 5,000. A typical facility was expected to stand between 50,000 and 100,000 square feet and sell a wide range of fruits and vegetables, groceries and staples, stationery, footwear, clothing, consumer durables and other general merchandise items.

The Company Bharti Wal-Mart Private Limited brought latest supply chain equipment and back-end supply chain expertise to India, bringing Wal-Mart's global best practices in the areas



as just-in-time inventory, retail information systems, cold chain infrastructure, GPS for truck and trailer tracking, and fuel management systems.

In addition, Bharti Retail, a 100% subsidiary that owns and manages the retail stores, had entered into a franchise agreement with Wal-Mart which provides technical support to Bharti Retail.

### INTEREST OF STAKEHOLDERS

The following was the stakeholder analysis of Walmart Bharti partnership.

1. **Shareholders** (High Influence, High Support) were very important for them with shareholders' trust in their vision and strategy being one of the most critical deciding factor to make this partnership effective. A negative reaction from stockholders could send this partnership into disarray. But, they had a high level of impact and high support for this venture.
2. **Government Agencies / Regulators:** (High Influence, Mid-Low Support ) The Government of India and the regulators were in support of this partnership as they had passed the legislation regarding FDI that allowed it.
3. **General Public in India:** (High Influence, Mid-High Support) The Indian buyers were moving towards organized retail, and the consumer base was growing professional, so there was a level of support from the public .The public of India's acceptance of the partnership, and their regular shopping habits was the influencing factor towards the success of this partnership.
4. **Media:** (High Influence, Low Support) The media played an important role in communication with the general public. The Indian media's quest to connect with its viewers, however, may force Indian outlets to take a negative stance towards the partnership (because of the negative impact it may have on retailers).
5. **Employees:** (Low Influence, High Support) Wal-Mart's employees won't have a high influence for this venture but their support level to the project is very important and key to success.
6. **Suppliers:** (High Influence, High Support) For the smooth transition in the Indian market, relationship with suppliers was very critical. Suppliers had high support for this venture because of the monetary incentives it offered them, but it also effectively communicated this partnership to the market to make sure that the venture gets the best value and commitment from the suppliers.
7. **U.S. and Indian Analysts / Potential Investors:** (High Influence, Neutral Support) as publicly-traded companies, Wal-Mart and Bharti needed investment bankers and future investors to be able to carry out their knowledge to manage this partnership - hence their high influence. Since their loyalty was to their employer, they had no vested interest either way, which is why their support was neutral.
8. **Competitors:** (Neutral Influence, Lowest Support) although competitors usually didn't have very much influence, due to India's retail landscape and possible hostile marketplace, they did wield more influence than usual. Also, just because of the nature of competition, they were at the lowest possible support level. They wanted to see Wal-Mart's partnership fail, but there were some benefits they might experience, like improved infrastructure.
9. **Labor Unions / Trade Unions:** (Low Support, Low Influence) Labor Unions and Trade Unions weren't the biggest fans of the partnership, but they didn't have substantial influence either, at least from the primary perspective. Once employees were in place, that could change, it would be in company's best interest to monitor these groups, because, even with their support and influence, they will eventually have indirect influence via employees.

### WAL-MART AND BHARTI DISSOLUTION

The joint venture between Bharti and Wal-Mart dissolved on October 10, 2013. Formed in 2007, its motive was to operate cash and carry superstores in India that was named Best Price Modern Wholesale. The two partners jointly built 20 super retail stores. These stores were located in major cities such as Amritsar, Zirakpur, Jalandhar, Ludhiana, Raipur, Vijayawada, Indore, Vijayawada, Agra, Meerut, Lucknow and Jammu, Kota.

Compulsory Convertible Debentures that were held by Wal-Mart in Cedar Support service had been acquired by Bharti. After their separation Wal-Mart will operate the cash and carry business in which 100% FDI is allowed. Bharti operated





easy day retail stores in the country and if Wal-Mart wants to open any retail stores then it needs to find a local partner that meets the requirement of owning 49% of the business.

Wal-Mart management said it wanted to serve India through its cash and carry business. Walmart believed that the company can make good investment and can earn high returns for its investors with the help of its good supply chain infrastructure, direct farm program, and supplier development.

However, there were problems. The Indian government required 30% sources from small suppliers which was difficult for Wal-Mart to comply with. Another problem was the US continuing investigation of frauds in Mexico, Brazil, China and India. In India, the government was investigating whether a loan made by Wal-Mart to Bharti broke foreign investment rules or not. Both Bharti and Wal-Mart denied any wrong doing from their side.

#### OTHER REASONS FOR THE SPLIT

**Retail business requiring deep pockets:** The India's biggest mobile operator, Bharti Airtel, the subsidiary of Bharti Enterprises are under the debt of nearly 12 billion. Their profits are declining every quarter. Bharti Enterprises wanted to consolidate its balance sheet and broaden its focus on Bharti Airtel.

**High costs, Low margins:** The retail business entailed high costs and narrower margins, so most big retailers in India were losing money. Since 2011 Bharti Wal-Mart joint venture (unlisted) lost Rs. 275 crore. On the other hand, Bharti-Wal-Mart's rival Reliance Retail were making profits for the year 2013. Though, Bharti Retail continued to operate its easy day retail chain, which has 212 stores, it expanded on its own pace.

**Uncertain policies:** India is potentially lucrative for global market. But till now no super market chains are allowed to enter because of uncertainty of policies although In September 2012, the government had announced that it would allow foreign supermarket chains to take majority ownership of their local operations. But the set back for the companies is that the government wants that the 30% of their products should be sourced locally.

**Political uncertainty:** It was a major concern that if BJP rules, they would not support FDI in retail as in an interview, party spokesperson clearly said that their party would not

allow Walmart to come in India although they support FDI in general but FDI in multi-brand in retail would not be allowed.

**Bribery scandal:** A global review of corruption was launched by Walmart in 2013. This was when New York Times reported on bribery on company's Mexico operations. India was declared as a country with the highest corruption risk. The U.S Foreign Corrupt Practices Act forbids American firms from paying bribes. In November, employees including the chief financial officer were suspended by Bharti Wal-Mart in lieu of bribery allegations by an internal investigation in India. Later on June 26, Wal-Mart announced the leaving of Raj Jain who let it push for past 6 years. There were expansion plans in India due to Wal-Mart's internal crack down on bribe paying. Till October 2012 starting from 2009, Wal-Mart had not opened a single store in India though the plan stated to open 8 stores in 2013.

#### CONSEQUENCES

Walmart Stores spent \$334 million to end its deal with Bharti Enterprises, resulting in a net loss of \$151 million. In 2007, Bharti Retail and Wal-Mart Stores came into partnership and created huge employment opportunities for Indians. Seven years later, the joint ventures were retrenching employees and the Indian company was preparing to shutter some unviable Easy day stores.

After their dissolution, Bharti had issued pink slips to many of their employees. Also Bharti and its subsidiary company known as Cedar Support Services terminated over 100 employees (earlier there were 330 people which came down to 220).

Employees had been given three months wages on their termination. Further, the employees were also given 15 days extra salary for each year they worked with Bharti Wal-Mart, their resignation letters were handed over by Sandeep Gautam, HR Vice- President of Bharti..

The vice chair person of Bharti Enterprise announced the breakup of joint venture in 2013, and while announcing he said that company would retain its employees and no job losses would be there.

Cedar Support Services which was the controversial holding company of Bharti Retail took the biggest hit. And it was the company in which Wal-Mart had invested \$100 Million at a time during which India had banned any foreign capital in Multi



brand retail. Almost 60% of Cedar's employees, including senior vice-presidents of facilities and logistics and the GM for facilities and HR were handed pink slips, according to the people quoted above.

Many employees like Nandini Sethuraman who was a marketing head returned to Walmart and some employees moved to group companies of Bharti. Very less marketing employees had been retained by the company and almost a dozen jobs at Bharti Retail were made redundant in operations.

When Bharti Walmart had announced its entry in the front end retail sector in 2008, they said that they had planned to invest up to \$2.5 billion by 2015 and promised to give employment to around 60,000 people, but as of now they have employed around 6,500 people only.

Bharti Enterprises had also been looking for a partner since it ended off its six year 50:50 joint venture with Walmart in October 2013.

It was in the news that Bharti Retail's former partner, Wal-Mart, too had terminated nearly 50 employees. The company person said that the figure have not been confirmed but the company was "letting go of some of their talent". Wal Mart was focused on cash and carry business under their best price brand. Also they had registered a new company called 'Wal-Mart India Private Ltd' in the country on January 15, 2014.

When Walmart was asked about new acquisitions and partnerships, they said they were studying the practicality of FDI policy of India that is foreign direct investment before finalizing plans to enter into any segment.



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## TEXT MINING AND ITS APPLICATIONS

### ABSTRACT

Vast amounts of new data and information are generated everyday through academic, economic, social and financial activities, much with significant potential of economic and social value. Techniques such as Text and Data Mining are required to exploit this potential. Businesses use data and text mining to analyze customer and competitor data to improve competitiveness; the pharmaceutical industry mines patents and research articles to improve drug discovery. Data is only useful when it can be located and synthesized into information or knowledge, and text mining looks to be the most efficient and effective way to offer this possibility to the Web. In order to be 'mined', data must be accessed, copied, analyzed, annotated and related to existing information and understanding. Text mining aims to automatically extract new knowledge and facts from the huge volume of text. Text mining is applied in various areas like Biomedical domain, web search engine, automotive industry, telecommunication industry, credit card industry, Intrusion detection etc.

**KEYWORDS:** Text mining, Text mining applications, text mining architecture

### 1. INTRODUCTION

Because of the internet there has been huge growth of easily available textual information over the last decade in the form of documents, news, blogs, forums, emails etc. In 2001, the internet claimed to provide access to about 10 million web pages (over 100 terabytes). As of 2009, that volume had grown to over 150 billion web pages (or about 1500 terabytes). That represents a growth rate of about 40 percent per year. This corpus of text includes home pages, corporate public pages, personal pages and newsgroups as well as electronic books and Ph.D. theses. Text can be defined as the unstructured bundle of words in some language which can be treated as a rich source of information. There are some facts and information which are hidden inside the text, which can be extracted through some observations. This information can be further analyzed to convert it into more useful facts or hypothesis. Experiments can be performed to induce a quality

of information, which may help to further shape the unstructured text and extract more new facts of advanced level. Text is something which is associated with every entity (object, organization, technology, concepts etc) of the universe i.e. existence of something is directly proportional to its own related data or a text. This text may be structured or unstructured, or may not have syntax. Text mining allows us to derive high quality information from text-based content. There may be a need of identification of certain postings, emails, important documents from social media streams like twitter, facebook, linkedin. It aims to retrieve far more relevant information than is humanly possible to read. It allows us to use computers to fetch useful information, makes it possible to digest far more information than we could before. It reveals hidden meaning from the text and attempts to form new facts and hypothesis.

### 2. TEXT MINING DEFINITION AND DIFFERENCE FROM DATA MINING

Text Mining or Text Data Mining (TDM) is an art of analyzing and identifying rich information from the collection of data contained in natural language text. The aim is to uncover previously unknown, useful knowledge from text. Text mining can be broadly defined as a knowledge-intensive process in which a user interacts with a document collection over time by using a suite of analysis tools. In a manner analogous to data mining, text mining seeks to extract useful information from data sources through the identification and exploration of interesting patterns. This comprises three main activities:

- Information retrieval to gather relevant Text
- Information Extraction to identify and extract entities, facts and relationships between them
- Data mining to find associations among the pieces of information extracted from many different texts

Text mining can make the implicit information in the documents more explicit. Text mining is a variation on a field called data mining that tries to find interesting patterns from large text. A typical example in data mining is using consumer purchasing patterns to predict which products to place close



together on shelves, or to offer coupons for, and so on. For example, if you buy a remote controlled game or a toy, one is likely to buy batteries along with it. Thus, the difference between regular data mining and text mining is that in text mining the patterns are extracted from natural language text rather than from structured databases of facts. Databases are designed for programs to process automatically; text is written for people to read.

Text mining deals with the unstructured or semi-structured text whereas data mining deals with data present in database. So in text mining, more focus is on pre-processing of text. For data mining, data is already stored in tables in database. In text mining, the data sources are the document collections and so interesting patterns or new information is found from these documents only and not from database records. Requirement that is common to both data and text mining is that the information extracted should be reliable and useful such that using such information more facts and hypothesis can be extracted using similar or different tools or methods.

### 3. TEXT MINING HIGH LEVEL FUNCTIONAL ARCHITECTURE

Text mining can be visualized as consisting of two phases: Text refining that transforms free-form text documents into a chosen intermediate form, and knowledge distillation that deduces patterns or knowledge from the intermediate form. At abstract level, Text mining system takes input as raw documents and generates various outputs like trends, pattern etc. Text mining functional architecture comprise of various steps. The first step is the collection of text documents. In next step, the preprocessing is done in which all stop words are removed. In this various preprocessing technique are used depending upon the requirement. All useful features are extracted in the processed document and various classification and categorization algorithms are used to find out some trend or pattern from the document.

### APPLICATION OF TEXT MINING

Unstructured text mining is an area which is seeing a sudden spurt in adoptions for business applications. The spurt in adoption is triggered by heightened awareness about text mining and the reduced price points at which text mining tools are available today. Text mining is being applied to answer business questions and to optimize day-to-day operational efficiencies as well as improve long-term strategic decisions. The application of text mining in various area are as follows:

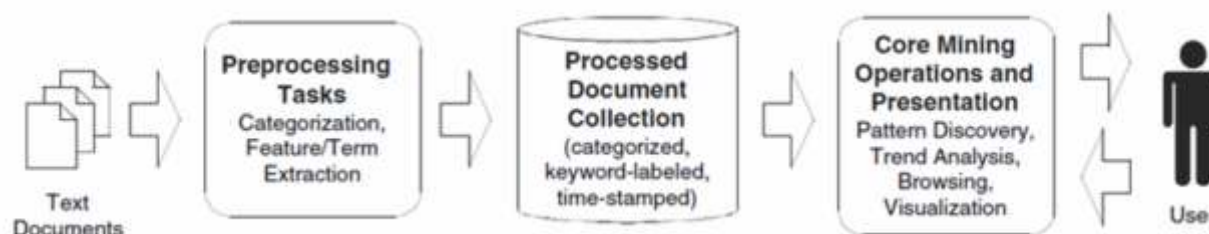
#### BIOMEDICAL DOMAIN

The volume of literature in this domain is increasing at such a rate that it is becoming difficult to locate, retrieve and manage the reported information without taking help of text mining, which aims to automatically extract useful facts and information. Biomedical articles provide functional descriptions of bio entities such as chemical compounds and proteins. To extract relevant information using automatic techniques, text-mining and information-extraction approaches have been developed. These technologies have a key role in integrating biomedical information through analysis of scientific literature.

Different medical centres develop their own jargons and laboratories create their protein nomenclatures. Text miners have worked to design algorithms that recognize terms (diseases, medicines, proteins, medical devices, chemical names). Several text-mining, NLP and knowledge-discovery applications have been developed for the biomedical domain. They include tools that discover new relationships between relevant entities such as chemical substances and diseases, NLP systems that extract and structure information contained in clinical records, and systems that identify and visualize interactions between molecular substances of interest.

#### ENHANCING WEB SEARCH

One way to enhance users' efficiency and experience of web





search is by means of meta-search engines. Traditionally meta-search engines were conceived to address different issues concerning general purpose search engines, including web coverage, search result relevance and their presentation to the users. Text categorization technique can be used in search engines to enhance its applicability.

### TELECOMMUNICATION INDUSTRY

Today, the Telecommunication industry is one of the most emerging industries providing various services such as fax, pager, cellular phone, Internet messenger, images, e-mail, web data transmission etc. Due to the development of new computer and communication technologies, the telecommunication industry is rapidly expanding. This is the reason why data mining is become very important to help and understand the business. Multidimensional Analysis of Telecommunication data, Fraudulent pattern analysis, Identification of unusual and sequential patterns are some applications provided by Text mining.

### AUTOMOTIVE INDUSTRY

It's been estimated that warranties cost automotive companies more than \$35 billion in the U.S annually. Considering this tough environment, it is imperative that auto companies explore all opportunities for reducing costs. Optimizing warranty cost is a very important lever in the cost equation for automobile manufacturers. If one is able to get even a marginal improvement in money spent in warranty cost, it can have a multiplier effect on the overall bottom line. One of the most underutilized dimensions of optimizing warranty cost is input from service technicians' comments. From those comments, the text mining process can surface nuggets of component defect insights yielding interventions for preventing them in future.

### CREDIT CARD INDUSTRY

With the proliferation of credit cards, companies need to do the difficult balancing act of identifying which card features (i.e., line of credit, billing cycle, outlet points and coverage) are resonating with customers and, at the same time, minimize the number of defaults/recovery related interventions. Text mining can help optimize both the collection process as well as the customer experience optimization process. One more application is automatic detection of fraud, such as in credit card usage. Analysts look across huge numbers of credit card records to find deviations from normal spending patterns.

### INTRUSION DETECTION

Intrusion refers to any kind of action that threatens integrity, confidentiality, or availability of network resources. Security has become the major issue in every domain. With increased usage of internet and availability of tools, methods and tricks for intruding and attacking network prompted intrusion detection to become a critical component of network administration. Text mining contributes in development of data mining algorithm for intrusion detection and association and correlation analysis, aggregation to help select and build discriminating attributes. Analysis of Stream data is also possible through text mining.

### SENTIMENT ANALYSIS

Sentiment Analysis is a study of identifying and analyzing the sentiments, attitudes and emotions of public towards some organization, product, topics, events. Opinions are central to all activities and has a power to influence the actions and behavior of an individual. Customers gather enough information and opinions of the public of a product before actually buying it. Voting decisions can be taken after knowing the opinions of the crowd. With a help of Text Mining, sentiments of an individual can be extracted. Sentiments can be negative, positive or neutral. For Example Nice, Wonderful, Awesome are the positive sentiment words whereas Poor, Weird, Bad are negative sentiment words. Text mining can be used to identify and analyze these type of words from the text, blogs or any discussion to represent any product in front of public.

### 5. CONCLUSION

The essence of text mining is the discovery or creation of new knowledge from a collection of documents. Text mining is a broad technique which can be beneficial in every domain. Biomedical domain, enhancing search engine, telecommunication industry, credit card industry, intrusion detection and sentiment analysis are some of the applications of text mining. In this paper, the idea is to illustrate the concepts and applications of text mining.

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## DEADLOCK AT BAJAJ AUTO LIMITED

We will continue the strike till our demand for wage revision and better conditions at work are not fulfilled. Bajaj management has yet not invited us for talks," said a member of Vishwa Kalyan Kamgar Sangathan (VKKS).

### INTRODUCTION

The Bajaj Group founded in 1926 by Sh. Jamnalal Bajaj is the world's fourth largest manufacturer of two-and three-wheeler. It is well established across several countries in Middle East, South and South East Asia, Africa and Latin America. The Bajaj group comprises of 34 companies amongst which Bajaj Auto Limited is one of them.

Bajaj Auto started as M/s Bachraj Trading Corporation Private Limited on 29 November 1945. In 1959, it acquired a license from the Government to manufacture two and three wheelers. In 1960 it became a public limited company and has three plants, two in Maharashtra (Wajaj and Chakan) and the third one at Uttaranchal (Pant Nagar).

On 31 March 2013, it became India's 23rd largest publicly traded company with market capitalization INR 520 billion (US\$ 9.57 billion). It was ranked at 1,416 for the year 2012 by the Forbes Global 2000 list.

As of 31 March 2013, Bajaj Auto had a total of 8,036 employees out of which 25 were differently-abled (0.31%) and 51 were women (0.63%). It spent INR 6.5 billion on employee benefit expenses during the year 2012-13. The company has established operations in 50 countries by creating a line of

**Ms. Tanvi Gaur<sup>1</sup>, Ms. Alphonsa Mathew<sup>1</sup> Ms. N. Malati<sup>2</sup>,**  
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bikes targeted to the preferences of entry-level buyers. The HR Philosophy of the company states 'We believe in building a distinctly ahead organization by developing competent and engaged employees.'

On 25th June 2013, Tuesday, workers at the Chakan plant of Bajaj Auto went on strike demanding revised wages and reinstatement of 22 suspended workers, thus, affecting production followed by the management's refusal to allot them shares at a discounted price. The workmen's union of Chakan plant, Pune ie. Vishwa Kalyan Kamgar Sanghatana had earlier given a notice regarding the stoppage of work at the plant from June 28. However, the workmen stopped coming to the Chakan plant from June 25 itself, without assigning any reason for this stoppage. The reason for the strike being the management's refusal to concede their demand of allotting 500 equity shares of the company at a discounted price of Re 1 per share to each workman.

### TRADE UNION AT BAJAJ

The militant, Vishwa Kalyan Kamgar Sangathan (VKKS) which is affiliated to the NTUI (New Trade Union Initiative), represents the workers both at the Chakan and the Akurdi plant.

The company in April 2010 introduced the Japanese TPM (Total Productive Maintenance) method of business process at the Chakan plant which aimed at elimination of 'waste'. Along with TPM, Kaizen (Japanese method of Continuous Improvement) and 5S (Japanese method of effective and



efficient workplace organization) were introduced. Idle time which included activities like walking, searching for tools, moving parts and materials, reading schedules, handling the same part more than once, repositioning parts during assembly etc. were considered 'waste' under this system. Removal of such activities basically implied increased work intensity. On 21 May 2010, BAL signed a wage agreement with the VKKS for the Chakan plant with validity till 2019 which included productivity norms. The Chakan plant operated two 9 hour shifts each of 480 minutes with a rest break of one hour. The company made a net profit of Rs. 16,700 (22.27%) on every Rs. 75,000 Pulsar motorcycle and the workers were paid an aggregate of Rs. 1,450 (1.93%) which meant each worker received less than a Rupee for every Pulsar made.

The Chakan crisis was closely linked to the agitation of workers at the Pantnagar plant of BAL in May 2012. The Pantnagar workers had approached VKKS, asking for support. The union offered them membership and the workers at Pantnagar joined the VKKS. The management refused to agree with the VKKS since it believed that the union was registered outside the state and thus could not represent the workers. Thereafter, VKKS approached the Bombay High Court which issued an order in favour of VKKS and directed the Uttarakhand Labour Department to begin conciliation with the VKKS.

From June 2012, the management at the Chakan plant started closely monitoring the workers on the shop floor. Union leaders who had travelled to Pantnagar were systematically victimized. Workers were timed for their visits to the washroom and charge sheeted individually for alleged defects in production – 35 workmen were charged. 80 workmen were suspended ranging from 1-6 days. 13 workmen remained suspended. One workman was dismissed without enquiry. The company also introduced a forced unpaid overtime of 1-2 hours daily.

In late 2012, BAL challenged the VKKS under Prevention of Unfair Labour Practices (PULP) Act and Maharashtra Recognition of Trade Unions (MRTU) Act and filed an application with the labour commissioner demanding de-recognition of VKKS. On 24 June VKKS secured a stay from the Bombay High Court against the Company's move to de-recognise the workers' body. But meanwhile, through a separate court order, Bajaj had barred labour from entering within 1,000 meters of the factory and pushed local labour department officials for declaring the workers' action as

'illegal' strike.

VKKS had sought to terminate the settlement of 2010 in accordance with its provision that it can be terminated by either party after three years by giving a notice for the same. With the union demanding revision of service conditions, the management had refused to negotiate.

### STRIKE AT CHAKAN PLANT

Bajaj Auto faced strike at its Chakan plant, where only 200 workers out of 1500 were reporting for work, due to their unmet demands. The Chakan plant had about 300 acre factory where Bajaj produced its heavyweight models including KTM Dukes, Pulsars and Kawasaki bikes. Due to the strike the production dipped to a third of total capacity. While the Bajaj dealers and factory together held Pulsar inventories to last for about 4-6 weeks, a few more days of strike would have hit sales. So, it was very much required by the management to take corrective actions.

### DEADLOCK CONTINUED

Even as the strike by the trade union at Bajaj Auto's Chakan plant in Pune entered third week, both sides hardened their positions. While the management termed the strike illegal and stuck to its stand, the labour union, which had approached the Labour Commissioner, had garnered support from other trade unions in the Pune industrial cluster to further strengthen its stand. Although conciliatory talks were still on, production at the unit was hit.

Mr. Dilip Pawar (President VKKS), stated that 1,600 workers were employed at the plant, 925 were permanent and belonged to the union. Less than 500 were reporting for work, amongst whom most were contract labour.

A member of VKKS had already made clear that if the issues were not resolved in the next few days, all unions with them would go on strike.

Earlier, the company had signed a wage agreement in 2010 with the union for nine years till 2019 with a review of the salary due every three years. The last review was done in April 2013 and the union terminated the settlement unilaterally on March 9, 2013.

The company, meanwhile, maintained that Chakan's operations were not affected severely and it was working at



about 80 per cent capacity. Generally, the unit made 300 units each of the Avenger and KTM bikes and around 3,000 units of Pulsar per day but now it made around 2,400 units per day. Production at the Waluj unit was increased from 800 units to 1,000 units of Pulsar per day to meet the demand. The union pressurized the management for over six months and slowed down production and insisted on an entirely new agreement plus the issuance of highly discounted equity shares.

On 5<sup>th</sup> August 2013, Rajiv Bajaj (M D Bajaj Auto) gave a week's ultimatum to the top management and the union to resolve the 42-day-old strike at the Chakan plant. He had decided that if the issue was not resolved by August 12, 50% of the production from Chakan would be permanently shifted to Pantnagar and Waluj (Aurangabad).

Mr. Kailash Zanzari (Vice President-Manufacturing, Motorcycles division, BAL) stated that the strike has been on since June 25, leading Bajaj to shift one-third of the production of the Chakan plant to Waluj temporarily. The striking employees had the option of returning to the work but once production would shift then, they may not be required as other plants had adequate workers and they might have to resort to voluntary retirement scheme (VRS). On the other hand, striking workers were also pushing for the reinstatement of 22 suspended employees.

Finally, on 13 August 2013, the union ended their fifty day strike at the Chakan plant of the Bajaj Auto Ltd but without any of the demands being fulfilled. The VKKS had decided to wait for the decisions.

VKSS President Dilip Pawar stated that nothing changed over the last 50 days and the situation was exactly the same as when they left the factory. According to him, more than 900 workers have forgone their 50 days salary and at least now he wanted the management to solve matters amicably.

The union demanded reinstatement of 22 suspended workers, revised wages, and shares of the company at reduced prices. Despite several rounds of meetings between the VKKS and top official of BAL, no satisfactory conclusion was

reached. Later, Bajaj agreed to take back seven workers as they had committed relatively less serious acts of indiscipline and also submitted a written apology. The other 15 were to face an inquiry process.

Declaring the end of the strike, MD Rajiv Bajaj issued a statement that he was very pleased as the union had unconditionally called off their strike at Chakan.

### QUESTIONS

Q1. Was the strike at the Chakan plant of BAL, legal and were the demands of the labour reasonable?

Q2. State the other methods that could have been adopted by the trade union.

Q3. Under what conditions is a work of inquiry carried out? How can this be justified?

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## CORPORATE EXECUTIVES' OPINE



**“A LEADER MUST KNOW HIS TEAM'S CAPABILITIES”**

**LOUIS SAILER, GENERAL MANAGER, THE LEELA PALACE, NEW DELHI**

Mr. Louis Sailer believes that when an organization brings out the best in the employees, a prospective is carved for upward mobility within the organization for them. The three most important traits of a great leader are integrity, knowledge and high emotional intelligence. A true leader can be defined as someone who is entrusted by his colleagues and company stakeholders. The leaders anchors a shared purpose by having the employees buy into his vision, but also enables the employees to realize the best in them. For any leader it is imperative to educate and collaborate with the employees. They should be encouraged to take on new challenges and experiment under the leader's guidance and mentorship.

A manager can be transformed into a leader. A high Emotional

Quotient(EQ) and thorough understanding of colleagues is essential for a leader. Leadership qualities can be developed over a period of time by aligning the human force's personal goals with macro objectives and ethos of an organization. The leader charts the future course of an organization with his experience and the best present and future knowledge at hand. Leaders are set apart by their ability to take challenges head on and an appetite for risks to explore new ways that turn the impossible to possible.

Mr. Sailer has learnt from his personal experience that what was luxury yesterday is not luxury today; the appetite of customers has been thoroughly whetted. The speed of cycles has dramatically increased. A five year plan might now be outdated within 12 months. Keeping up with the complexities of the environment and ever evolving customer demand are key to succeed in the hospitality service environment.



**“CREATING AN ENERGIZED WORK ENVIRONMENT”**

**DEODUTTA KURANE, GROUP PRESIDENT- HUMAN CAPITAL MANAGEMENT, YES BANK LTD**



Mr. Deodutta Kurane is the Group President- Human Capital Management, YES Bank Ltd who spearheads the human resources function and is responsible for implementing innovative HR practices. To spot and attract the talent, the bank plans and executes several outreaching engagement activities with their partners. YES business partner's engagement model is an initiative launched to recognize the bank's partnerships with various agencies. University and school relationship management model is a structured method of engaging with the best B-schools of India and abroad. The YES professional entrepreneurship programme (Y-PEP) is designed to arm participants with skills and experiences to meet and support the bank's future growth plans and challenges.

The bank uses several ways to retain and nurture the star performers. He believes that the only source of sustainable competitive advantage for an organization is its high quality human capital. A leadership mindset is fostered that embraces meritocracy as a vital force to reward performance and exceptional competency. High performing employees are accorded the CEO's league of excellence awards which is the highest recognition in the bank for demonstrating exceptional performance and outstanding execution. The best way to retain and nurture stars is by offering them meaningful and

challenging work, assignments that provide continuous learning and growth opportunities, recognizing and rewarding their contribution. Knowledge is a key differentiator. Another motivation factor for the employees is a highly energized, stimulating and engaging environment. It raises the bar and brings out the best out of the employees.

Several specific attributes are evaluated in candidates being interviewed. A few of them are the entrepreneurial streak, out-of-the-box thinking, high degree of passion/commitment and professional pride. Every employee is expected to perform his/her job role as an owner, manage the tasks in the most efficient way and partner in his/her customer's success. It is more likely that a person with the right mindset will find a way to grow the right skills than a person who keeps pounding away on skills.

Thus, to create an energized work environment, the onus remains on the employer. Caution should be taken at every stage of the employee in the organization starting from recruitment to nurturing and developing the existing talent. The environment should be conducive to mutual growth of employee and business.

*Ms. Charu Gupta, Assistant Professor, DIAS*

## Book For Review

### SULTAN CHAND AND SONS

Title	Author(s)	Price (₹)	Edition
Human Resource Management	C.B. Gupta	550	15 <sup>th</sup> , 2014



## READERS' Views

Thank you for sending the 51st issue of 'DiasTimes' (October-December, 2013), Newsletter of Delhi Institute of Advanced Studies, Delhi.  
With best wishes,

**Prof. (Dr.) Ranbir Singh**  
*Vice-Chancellor, National Law University, Delhi*  
*EXCO Member, SAARCLAW*

I read DIAS TIMES with great interest and appreciation. Editorial Board is to be congratulated for including in every issue some of the most important current issues. I always get an article according to my expectations. I hope the topics lead to stimulating discussions in the classes. Keep it up.

**Dr. Reena Sethi**  
*Deputy Secretary, Ministry of Civil Aviation*  
*Rajiv Gandhi Bhavan, New Delhi*

I am always delighted to receive a copy of DIAS Times and it is truly amazing to have received it consistently for number of years. The effort that is put in by the DIAS Team to get such a high quality publication out is testament to the dedication of the DIAS Team. DIAS Times serves as a crucial link between

DIAS and its stakeholders. In addition to providing a knowledge capsule to the readers DIAS Times keeps the stakeholders abreast of what is happening at DIAS so they always feel part of DIAS. It covers wide ranging issues including students' achievements, advances in management & technology, latest economic news, review of new textbooks in academia, glimpse of events and seminars at DIAS, profiles of influential leaders, and advice from corporate leaders for the students and future leaders. To integrate together so many relevant topics and present it in a beautiful newsletter is phenomenal. I commend the DIAS Team for this significant accomplishment.

**Dr. Suneel Maheshwari**  
*Professor, Department of Accounting*  
*Indiana University of Pennsylvania*

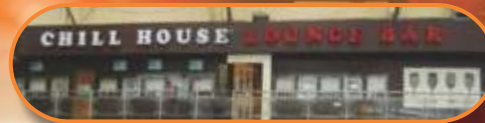
Thank you for the letter and the kind sentiments expressed. I take this opportunity to extend my best wishes to Delhi Institute of Advanced Studies for success in its future endeavours.

**Chanda Kochhar**  
*Managing Director and CEO*  
*ICICI Bank Limited*

## CHILL HOUSE LOUNGE BAR

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## Recent Notifications

### CORPORATE LAWS

#### SIX-MONTH 'INCUBATION' FOR NFOs

SEBI has been suggested to make MF houses coming out with a new fund offering (NFO) go through an 'incubation' phase first, to test and build a track record in the scheme with the sponsor/AMC's own money in order to boost confidence in new schemes. The fund houses are suggested to be required to put in at least Rs. 50 lakh pre-NFO and test the scheme for at least six months before throwing it open to the public, meaning thereby, the scheme will run without investor money for at least six months and will be subsequently offered to investors at the prevailing net asset value at the time of the NFO.

Pre-NFO incubation, as opined by experts, is a good way of informing distributors and making investors aware about the kind of scheme they were getting into. The disadvantage of this requirement, however, is that relatively new fund houses, which don't have enough products in their portfolio, will find it more expensive to launch new funds. In general, experts are in favour of having some 'skin in the game' as it would raise the commitment of AMC promoters and boards towards investment management.

According to Sebi guidelines, the seed capital for the MF schemes may be defined as 1% of the amount raised in the NFO subject to a maximum of Rs. 50 lakh, which the sponsor/AMC would have to invest and keep invested during the lifetime of the scheme. The seed capital would form part of the net-worth requirement and the sponsor/AMC would have to maintain this seed capital in all schemes, except closed-ended schemes.

#### NEW BILL ON DELHI APARTMENT OWNERSHIP IN THE OFFING

The Government is mulling introduction of a fresh Bill to replace the Delhi Apartment Ownership Act, 1986, so as to address the problems of owners of apartments in the national capital. However, the proposed Act will not cover cooperative group housing societies and DDA flats in the city as these are

out of its purview.

There is no clarity in the existing act and it has not been enforced fully yet. So, there is a need for its complete overhaul to implement its various provisions. The new Act proposes to make easier the transfer, inheritance and sale of apartment blocks for apartment owners in the city. It also aims to provide full ownership rights and simplifies the process of buying or selling houses. As of now, owners only get occupancy rights.

#### MFs GET SEBI WARNING FOR VIOLATING INVESTOR NORMS

Securities and Exchange Board of India (SEBI) has warned some mutual funds for breaching norms involving the minimum number of investors a scheme should have. SEBI rules mandate that there should be at least 20 investors in a mutual fund scheme and no investor should hold more than 25% in a scheme.

The regulator would take appropriate regulatory action against those fund houses which fail to comply with this rule. The regulator has also observed that fund houses are investing in short-term deposits of banks. An investor does not go to a MF for parking his money in fixed deposits of banks. That is a facility given for a temporary period pending deployment. An investor expects better appreciation of his money over a period of time.

SEBI has also noticed during its inspection that in close to 69 debt schemes, the assets under management were very low, wherein viability of these schemes was doubtful. The regulator, in an attempt to protect the interest of investors, has directed fund houses to ensure that the minimum subscription amount of debt-oriented and balanced schemes at the time of new fund offer should be at least Rs. 20 crore and that of other schemes should be Rs 10 crore. Trustees and chief executive officers of fund houses have to ensure that the corpus earmarked for investor education programmes are well utilised. Asset management companies have to annually set aside at least two basis points on daily net assets for investor education and awareness.



### **GOVT ISSUES NEW GUIDELINES TO CHECK DELAY IN PENSIONS**

According to the new guidelines by the government, an employee can now send an undertaking directly to the bank to ensure quick disbursement of pension in his or her account. The government has decided that the requisite undertaking may be obtained by the head of office from the retiring employee and forwarded to the pension disbursing bank along with the Pension Payment Order (PPO). The bank shall credit the pension to the account of the pensioner as soon as this undertaking is received along with the pension documents. With this change in rules and procedures, the pensioners would be saved of considerable inconvenience and delay and the pension will commence as soon as one retires.

### **SEBI FINALISES NORMS FOR RESEARCH ANALYSTS**

Foreign entities acting as research analysts for Indian markets or India-listed companies need to tie-up with a registered entity in India which meets the prescribed criteria regarding qualifications, capital adequacy, establishment of internal policies and procedures, firewalls against conflict of interest, sufficient and timely disclosures, among others, while domestic players will also be subjected to strict disclosures and scrutiny, to safeguard the markets from manipulative research reports.

The new norms, which would also cover 'proxy' advisors or those providing advisory services similar to research analysts, have been framed in the wake of various instances of 'mischievous' research reports having been circulated among the investors in the past to manipulate the overall market trends or share price of individual companies. The regulations also provide for penal actions including cancellation of registration, debarment, or penalties similar to any other market intermediary that SEBI can take against erring research analysts.

### **SEBI ISSUES NEW NORMS FOR ISSUANCE OF DEBT SECURITIES**

Market regulator, SEBI, has issued new norms for public issuance of debt securities under which such offers have to be of minimum Rs 100 crore, while issuers would need to make additional disclosures and attain at least 75% subscription. The entities coming out with public issue of NCDs would have to

provide granular disclosures in their offer document, with regards to the object of the issue. Also, an entity has to make additional disclosures in the offer document about details of money utilised from the previous issues of the issuer as well as the group companies. The minimum subscription for public issue of debt securities has to be 75% of the base issue size for both NBFCs (non-banking finance companies) and non-NBFC issuers.

Further, if the issuer does not receive minimum subscription of its base issue size (75%), then the entire application money would be refunded within 12 days from the date of the closure of the issue. In case of delay by the issuer in making the refund, the issuer would have to refund the subscription amount along with annual interest of 15% for the delayed period. However, the issuers issuing tax-free bonds would be exempted from the proposed minimum subscription limit.

### **SEBI PLANNING TO PROVIDE FRESH AVENUES FOR STARTUPS THROUGH CROWD-FUNDING NORMS**

SEBI is planning to provide fresh avenues for start-ups and small and medium enterprises (SMEs) to raise early-stage funding through Internet-based platforms. The regulator has proposed new guidelines for crowdfunding in an attempt to provide a more efficient and cost-effective fund-raising platform than public issue or private placement offering.

Crowd-funding is solicitation of funds from multiple investors through an online platform or social networking site for a specific project, business venture or social cause. It can be classified into four categories, including donation crowd-funding, reward crowd-funding, peer-to-peer lending and equity crowd-funding, of which only equity-based crowd-funding will come under SEBI's purview.

SEBI has proposed to allow only accredited investors to participate in crowd-funding. It has defined accredited investors as qualified institutional buyers, companies with a minimum net worth of Rs 20 crore, HNIs with a minimum net worth of Rs 2 crore or more and eligible retail investors.

### **INDIRECT TAXES**

#### **INDIA INC SEEKS RETRO RULING TO OVER-RULE SCORDER**

The government has received flak for retrospectively



changing tax law to override a Supreme Court order and impose tax on MNCs. Multinational carmakers and some domestic tyre manufacturers have demanded that Section 4 of the Central Excise Act and the Central Excise Valuation Rules of 2000 be amended retrospectively so that tax notices slapped on companies asking for higher excise duty payments on a disputed valuation principle could be settled.

## DIRECT TAXES

### DIRECTION TO AVOID REFUND DELAYS

The practice of delaying tax refunds by the revenue department has drawn sharp criticism from Tax Administration Reforms Commission (TARC). Revenue targets that are blind to the changing economic scenario result in tax gaps, which are mostly addressed by the authorities by putting pressure on taxpayers to contribute more or by postponing refunds that are due, especially in the last quarter of the fiscal. Such policies would be illegal in other law-abiding societies.

The practice of delaying refunds by asking for irrelevant information was undesirable and non-transparent. The commission has urged the revenue department to consider taxpayers as customers and has recommended that 10% of its funds should be dedicated for delivering taxpayer services. It has also suggested that the process of conducting search and seizure should be made more professional. The commission has also strongly recommended periodical review of rules, regulations and other tax policy measures such as exemptions to see whether they remain relevant to the prevailing socio-economic conditions.

In order to make tax administration more effective, lateral entry of experts should be allowed in specialized areas under a five year contract. Also, to improve the dispute resolution system, the present structure of commissioner (appeals) should be changed to two forums--single commissioner (appeals) and a three-member commissioner (appeals) panel.

### PAN-LESS CANDIDATES WITH OVER RS 5-CR

#### ASSETS TO FACE I-T SCRUTINY

Candidates with assets of over Rs. 5 crore without a PAN card are set to come under the scanner of the tax department and the Election Commission, which have prepared a list of red flags to weed out suspected tax-evaders.

## PROFITS CAN'T BE TAXED IN THE HANDS OF PARTNERS

### \* The Law

A partner is not liable to be taxed again on his share in a partnership company. Since the income of the firm is already chargeable to tax, taxing again in the hands of partners could lead to double taxation

### \* The Problem

Some tax authorities misinterpreted it and started taxing the profits in the hands of partners where a firm's tax liability became nil due to certain exemptions and deductions

### \* The Solution

CBDT will clarify that the entire profit credited to partners' accounts in a firm will be exempt from tax, even if the firm's taxable income becomes nil on account of exemptions

## INSURANCE

### IRDA ISSUES DRAFT GUIDELINES FOR INSURANCE MARKETING FIRMS

The Insurance Regulatory and Development Authority has issued draft guidelines for insurance marketing firms. An insurance marketing firm is an entity that will be allowed to market insurance policies along with other financial products such as mutual funds that are approved by financial sector regulators.

There will be two kinds of licensed individuals to sell these products: an insurance salesperson, who will be responsible for soliciting and marketing insurance products alone, and a financial service executive, who will handle other financial services, such as offering financial advice, sale of mutual funds and the national pension system, or NPS. These licensed individuals will have to obtain the necessary qualifications and licences from the respective regulators.

To become an insurance salesperson the individual needs to have passed Class 10 and needs to clear the insurance brokers examination. Insurance agents are not eligible to become insurance salespersons, and the latter can't cross over to become agents unless their licences as salespersons are active. Financial service executives will need certification from regulatory bodies. For instance, to sell mutual funds, they will need to be certified by the Association of Mutual Funds in



India (AMFI). For distributing NPS, they will need to be certified by the Pension Fund Regulatory and Development Authority (PFRDA), and for sale of financial products regulated by the Securities and Exchange Board of India (SEBI), they will need to obtain registration as investment advisers under the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013. In case of insurance, salespersons will be involved in soliciting insurance policies, but their remuneration will not be commission-based.

They would be paid a fixed amount and a performance incentive that may be over and above this. The role of the salespersons will lean more towards being a broker in the sense that they will need to keep the interest of their customers paramount. Insurance marketing firms will have a fiduciary responsibility towards customers. These are neither insurance brokers nor insurance agents, but a new channel of distribution.

To be an insurance marketing firm, a company will need to have at least Rs 10 lakh of net worth at all times and will have to buy a professional indemnity insurance policy that is equal to four times the business turnover of the marketing firm. The licence will be given for three years. Insurance marketing firms will be allowed to charge commissions as per the Insurance Act. In addition to this, these will also be able to charge a fee on account of marketing expenses, expenses towards infrastructure and performance-based incentives.

### **IRDA ALLOWS INSURERS TO DEAL IN DERIVATIVES**

The Insurance Regulatory and Development Authority has allowed insurers to deal in rupee interest rate derivatives, including forward rate agreements (FRAs), interest rate swaps (IRS) and exchange traded interest rate futures (IRF), so as to enable life insurers to hedge the interest rate risks on the future premiums to be collected by them.

The regulator said participants could undertake different types of plain vanilla FRAs/IRS. IRs having explicit/implicit option features are prohibited. The permitted purpose of dealing in interest rate derivatives include reinvestment of maturity proceeds of existing fixed income investments, investment of interest income receivable and expected policy premium income receivable on insurance contracts, which are already underwritten in life and pension and annuity business in case of life insurers and general insurance business

in case of general insurers.

### **BANKING**

#### **PAYMENT BANKS CANNOT LAUNCH OTHER FINANCIAL OPERATIONS**

The Reserve Bank of India (RBI) has accepted the Nachiket Mor committee's recommendations on introducing payment banks—specialised banks to provide services to small businesses—after making some significant changes to the proposed characteristics of these entities.

The central bank will set the initial capital requirement at Rs 100 crore, compared with the suggested Rs 50 crore. For computing the capital adequacy ratio, unlike full-service banks, payment banks will only factor in operational risk, and not market risk and credit risk. However, while existing banks might be allowed to create subsidiaries for payment banks, such banks would not be allowed to undertake any other activity apart from accepting deposits and offering payment services. The payment banks would not even be allowed to undertake lending activities. This is a departure from the principle the regulator follows at present — that an activity a bank can undertake departmentally is allowed to be undertaken as a subsidiary as well.

Payment banks are also aimed at catering to migrant workers in metros or Tier-I cities who need to send money to their families at their native places. These banks will also offer services like utility bill payments. Pre-paid instrument providers are seen forming these payment banks. These entities have relaxed know-your-customer norms, while the value of transactions is capped.

#### **RBI INTRODUCES LIQUIDITY RATIOS FOR BANKS**

Reserve Bank of India (RBI) has mandated the lenders to maintain 60 per cent liquidity coverage ratio (LCR) from January 1, 2015 to create liquidity buffers in banks. Also, the central bank suggested a phased manner in which the ratio will have to increase to 100 per cent by January 1, 2019. Equal quantum of increase has been suggested for every year, till 2019.

The LCR promotes short-term resilience of banks to potential liquidity disruptions by ensuring that they have sufficient high-quality liquid assets (HQLAs) to survive an



acute stress scenario lasting for 30 days. LCR is defined as the proportion of high-quality liquid assets to the total net cash outflows in the next 30 calendar days. Typically, banks face two types of liquidity risks — funding liquidity risk and market liquidity risk. Funding liquidity risk is the one in which the bank is unable to meet expected and unexpected future cash flows and collateral needs without affecting its financial condition. Market liquidity risk is the one when a bank cannot easily offset or eliminate a position at the prevailing market price because of inadequate market depth or market disruption.

#### **RBI SHIFTS TO CPI-BASED REAL EFFECTIVE EXCHANGE RATE**

Shifting focus to retail inflation, Real Effective Exchange Rate (REER) will be computed and released only on the basis of the Consumer Price Index (CPI) as the price index for India from this financial year, as per the Reserve Bank.

REER index constructed using a CPI for both India and trade partner countries would ensure a higher degree of comparability of former's international competitiveness vis-a-vis trading partner countries. REER indicates movements in exchange rates of the home currency against a basket of currencies of trade partner countries and is considered to be an indicator of international competitiveness. Till now, in the case of India, the RBI was providing the REER index using the Wholesale Price Index (WPI) for India and CPI for partner countries.

#### **RBI ASKS BANKS NOT TO LEVY FINE ON FLOATING LOAN PREPAYMENT**

The Reserve Bank of India (RBI) has directed banks not to levy any penalty on prepayment of floating rate loans such as auto and personal loans. Charges on home loan foreclosures were abolished in 2012. In June 2012, the committee on customer service in banks, headed by former Sebi chairman M Damodaran, had observed that foreclosure charges levied by banks on prepayment of home loans were resented by borrowers, especially as banks were found to be hesitant in

passing on the benefits of lower interest rates to the existing borrowers in a falling interest rate scenario.

#### **RBI REVISES ASSET CLASSIFICATION NORMS FOR INFRASTRUCTURE FIRMS**

The Reserve Bank of India has thrown a lifeline at banks which could help lenders report lesser bad loans. It has scrapped the condition that a loan could be treated as standard loan if it is restructured only once. The regulator has allowed banks to restructure loans many times within the stipulated period of commissioning of projects — which varies from two to four years. The delay in commissioning could range from litigation to other obstacles and banks can still treat those loans as standard ones.

Banks may restructure such loans, subject to the extant prudential norms on restructuring of advances, by way of revision of DCCO or date of commencement of commercial operations beyond the time limits. Banks can "retain the 'standard' asset classification, if the fresh DCCO is fixed" if the account is serviced as per "restructured terms." Indian banks are reeling under one of highest levels of bad loans in a decade as the previous government's indecision and corruption charges held up projects. Land disputes and lack of fuel led the many road and power projects incomplete. This led to defaults, and in many cases the loans were restructured to avoid bankruptcy. Earlier, banks were allowed to classify any loan restructured for the second time as bad loan. Now, a loan could be restructured, for instance an infrastructure loan stuck due to litigation, many times within four years of commission date.

The results of the systemic risk survey conducted by the Reserve Bank in April 2014 show that the banks' asset quality still remains under the 'high' risk category. Standard assets mean performing assets. In anticipation of a future default, a standard loan account can always be referred for recast. Earlier, the central bank mandated that the standard loan accounts could not retain their standard status after restructuring effective from April 1, 2015.





## Technology Browser

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- Approaches and technologies for dealing with big data in mobile computing
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- Big Data Analytics and Metrics
- Big Data as a Service
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- Executives
- Students

(Themes mentioned are indicative only. Authors can submit papers on any other topics relevant to the seminar theme.)

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#### IMPORTANT DATES

Submission of Final Paper	15 <sup>th</sup> February 2015
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