Recent Developments in

LAW, COMMERCE, BUSINESS & MANAGEMENT

ISBN# 978-81-959291-4-6

IJRTS Publications
A Venture of IJRTS Takshila Foundation

An Edited Book

Chief Editor
Dr. Piyusha Sharma

Invited Manuscripts

RECENT DEVELOPMENTS IN
LAW, COMMERCE, BUSINESS & MANAGEMENT

25 May 2023

An Edited Book

1st EDITION

Chief Editor

Dr. Piyusha Sharma

Assistant Professor, Department of Economics
F.C. College for Women, Hisar, Haryana

Recent Developments in
Law, Commerce, Business & Management
ISBN: 978-81-959291-4-6

Editors

Dr. Kailash

Professor, Department of Law

Maharishi Dayanand University, Rohtak, Haryana

Dr. Sharmila

Assistant Professor, Department of Commerce

Govt. College, Jind, Haryana

Dr. Shivangi Saxena

Assistant Professor, Department of Economics

D.S. Degree College Aligarh, Uttar Pradesh

Dr. Rajroop Singh Chahal

Associate Professor, Department of Commerce

Chhotu Ram Arya College Sonepat, Haryana

Dr. Pranav Ranga

Assistant Professor, Department of Law

Maharishi Markandeswar University, Ambala, Haryana

IJRTS
Publications
A Venture of IJRTS Takshila Foundation

ISBN: 978-81-959291-4-6
Price: ₹ 999

Published by Dr. Vipin Mittal for IJRTS Takshila Foundation,
71-75 Shelton Street, Covent Garden, London WC2H 9JQ ENGLAND
Printed in India
by Mittal Printers, SCF#10, Opposite DRDA, Jind-126102 INDIA
Bound in India
By Satyawaan Binders, SCF#09, Opposite DRDA, Jind-126102 INDIA

Rakesh Jhunjhunwala was an Indian billionaire business magnate, Chartered Accountant, stock trader, and investor. He began investing in 1985 with a capital of ₹5,000, with his first major profit in 1986. At the time of his death he had an estimated net worth of US$5.8 billion, making him the 438th richest person in the world. He was a partner in his own asset management firm, Rare Enterprises. Besides being an active investor, he served as chairperson and director for several companies. He was also a founder of Akasa Air. He was investigated for insider trading and settled with the Securities and Exchange Board of India (SEBI) in 2021. Jhunjhunwala was often referred to as "India's Warren Buffett" or the "Big Bull of India", and was widely known for his stock market predictions and bullish outlooks.

His philanthropic portfolio included health care as well as education-related initiatives, supporting organizations such St Jude, Agastya International Foundation, Ashoka University, Friends of Tribals Society and Olympic Gold Quest.

Recent Developments in Law, Commerce, Business & Management
An Edited Book
ISBN: 978-81-959291-4-6

Index

ISBN: 978-81-959291-4-6

An Analysis of Various Welfare Schemes for Women Empowerment in Haryana

Dr. Piyusha Sharma

Assistant Professor, Department of Economics
F.C. College for Women, Hisar, Haryana, India
piyusha.raj@gmail.com

Abstract

The government of India is committed to accelerating the rate at which women in the country improve their financial standing, and it places a premium on maintaining sensitivity to minority concerns in its public policies. Government aid programmes have become an integral part of achieving public policy goals. Union Government has backed various initiatives, software engineers, and strategies that cater to the needs of women's government help and the most vulnerable members of society in order to shape the mindset of government aides across the country. These programmers aim to involve the underappreciated members of these communities who have a place at these gatherings. Many social barriers have been removed thanks to various authoritative initiatives, and it is now widely accepted that investing in women's economic and educational success will lead to further expansions in government support.

Introduction:

The technique and way to deal with the government assistance of women's has acquired force just since 6th long term plan. The system of SCP (Special Component Plan) and SCA (Special Central Assistance) to SCP has been all around saw. This arrangement choice is to guarantee stream of assets to serve women's government assistance plans. In any case, it has been found during the review that the greater part of the Central Ministries/Departments have still to do fundamental exercise to give satisfactory progression of assets/benefits for women government assistance plans under different plans. They are yet to advance pertinent plans for satisfying the improvement needs of women government assistance. In the majority of the cases the objective gatherings are not related with plan of plans. Exceptional Central Assistance is intended for filling the basic holes in monetary improvement programs for

ISBN: 978-81-959291-4-6

women government assistance conspires yet in Haryana this cash is being utilized in giving appropriation to different plans. However SCA will undoubtedly any plan yet aimless utilization of SCA as endowment without reference to the reasonability of plans would be inefficient. As to plans identified with instructive improvement it is tracked down the different offices are being given to respondents through Department of Social Justice and Empowerment. The greater part of these plans are run however Department of Social Justice and Empowerment. It implies that the office is accessible for the people who select themselves in women government assistance. In any case, tragically there is a larger part of respondents who don't arrive at the everyday schedule level. There are plans which are not being overseen by any instructive institutional for example premium free credit, Book Bank Schemes and Schemes for up gradation of legitimacy and so on These plans have not had the option to assemble a lot of inclusion just as importance.

Hierarchical Problems: There is a lack of reasonable staff with these companies. As the workplace of women government assistance has not been automated the staff of the partnerships is occupied in bookkeeping business related to edge cash and bank credits and they cannot focus on the checking of monetary help plans. The improvement work likewise endures as these authorities are not qualified for plan of financially reasonable undertakings. Their continuous exchanges additionally hamper the working of these enterprises. Monetary Problems: If contrasted with the necessity of these enterprises they are confronted with extremely pitiful assets. Also, the recuperation position in regard to these companies has been extremely poor. Subsequently the assets can't be reused for the respondents of women government assistance plans. Social advancement of Women has been seen as fundamental essential for improvement of women's. However, this is the most troublesome of all. The women government assistance plans that are exposed to social discrimination are by and large isolated from different gatherings in the general public. A large portion of them are as yet occupied with low compensation and repulsive occupations like rummaging. Occupations like flying, tanning, cowhide work and searching are connected occupations. The customary framework has taken extremely profound roots which restrains all endeavors of handling this issue. These plans have been observed to be famous among chosen locale for concentrate yet the women government assistance plots actually stay an isolated part. Social portability has not expanded as it is apparent from less society of impetus. It has additionally been uncovered by the review that because of intricate nature of authoritative association the issue of correspondence and coordination is expanding step by step. The officials answerable for

ISBN: 978-81-959291-4-6

execution are additionally needed to educate the recipients about these plans. In any case, in the greater part of the cases they stay occupied with their normal exercises. Because of expanded weight of their administrative work they don't figure out an ideal opportunity for crusading of these projects. However the public authority has made elaborate plans for the government assistance of women's yet because of ignorance and ignorance on piece of women local area, complex authoritative strategies, disregard of government authorities nonappearance of checking and follow up of projects, women government assistance have not had the option to acquire a lot of advantage from this. There is no normal organization for planning the exercises/plans identified with government assistance of women's. The non-presence of an organization to screen and guarantee legitimate execution different plans genuinely influences the consequences of these plans. It has been notice during the review that the effect of government assistance plans measures isn't homogenous on all segment of women's. Greater part of the respondents feel that a specific segment among them has benefited more from these projects when contrasted with others. The vast majority of the advantages of these plans have been cornered by small bunch of women government assistance. The other part of women's government assistance keep on living in servile neediness and hardship, remain casualties of carelessness by political initiative. This might be a result of their little size, traveling presence and significant degree of ignorance. It appears to be that because of low numbers they don't make any difference much in the vote governmental issues. The vast majority of the respondents felt that metropolitan individuals are being benefited more than the royalties. Execution of women government assistance plans is additionally damaged. As it turns out to be obvious from the investigation of just of the respondents were having finished information about government assistance plans. However greater part of the respondents are essentially mindful of government assistance conspires yet they don't have the foggiest idea about the technique to profit these advantages. However this is fundamentally because of lack of education and obliviousness on piece of respondents yet in addition low exposure of these plans is additionally answerable for this. So simple detailing of these government assistance plans isn't sufficient, their scattering to the recipients is likewise similarly significant. It becomes apparent from the review that for all intents and purposes no arrangement definition is done at the locale or tehsil level. Indeed, even the chosen bodies at neighborhood levels for example civil chambers and panchyats don't seem to take part in detailing of women government assistance plans. All plans are ready by administrators approaching all specialized and monetary information hand having position to

ISBN: 978-81-959291-4-6

get ready plans. Be that as it may, their way to deal with the detailing of plans is observed to be causal and careless. As it is obvious from the review that the plans implied for instructive advancement have not had the option to convey the ideal outcomes. Women's particularly those dwelling in country region have not had the option to get training at more elevated level. This might be because of their failure to profit the advantages of plans implied for advanced education. This is the motivation behind why the majority of women's having a place with provincial regions can't be found in acceptable office occupations notwithstanding reservation accommodated them. It was found during the study that measure of monetary help accommodated pay age is very not exactly the real prerequisite. Additionally the measure of advance dispensed is not exactly the sum endorsed or requested by the recipient. Henceforth recipients discover this sum lacking to do the movement. There is a shortfall of follow up system after the advance has been dispensed. The officials once in a while visit the recipients to confirm the resources. There is no control or criticism data about the necessity of second portion of credit just as the situation of recuperation of advance sum. Larger part of the respondents felt that methodology to profit different advantages accessible under government assistance plans is extremely complicated and extended. Various conventions are to be cleared before an individual can profit this office. Furthermore, there is absence of coordination between various organizations and foundations, political obstruction and job of brokers in execution of these projects. It becomes basic to advance a sound authoritative design for making an interpretation of strategy choices into substantial social activities.

WELFARE SCHEMES

1. Pension Schemes
2. Handicapped Welfare
3. Aged Welfare
4. Drug Abuse Prevention
5. Grant-in-help
6. National Social Assistance Program
7. National Family Benefit Scheme
8. National Old Age Pension Scheme
9. National Widow Pension Scheme
10. National Handicapped Welfare Pension Scheme
11. Rajiv Gandhi Pariwar Bima Yojna (An Insurance Scheme)

SELF-HELP GROUP (SHG)

ISBN: 978-81-959291-4-6

A self improvement gathering (SHG) is a town based monetary go-between normally made out of 10–20 nearby women or men. A blended gathering is by and large not liked. Most self improvement gatherings are situated in India, however SHGs can likewise be found in different nations, particularly in South Asia and Southeast Asia. Individuals make little ordinary investment funds commitments over a couple of months until there is sufficient capital in the gathering to start loaning. Assets may then be loaned back to the individuals or to others in the town for any reason. In India, numerous SHGs are 'connected' to banks for the conveyance of microcredit. Self-Help Group might be enlisted or unregistered. It ordinarily contains a gathering of miniature business people having homogenous social and monetary foundations; all willfully meeting up to save normal little amounts of cash, commonly consenting to add to a typical asset and to meet their crisis needs based on shared assistance. They pool their assets to turn out to be monetarily steady, taking advances from the cash gathered by that gathering and by making everyone in that bunch independently employed. The gathering individuals utilize aggregate insight and companion strain to guarantee the legitimate end-utilization of credit and opportune reimbursement. This framework takes out the requirement for guarantee and is firmly identified with that fortitude loaning, generally utilized by microfinance establishments. To make the accounting sufficiently straightforward to be dealt with by the individuals, level financing costs are utilized for most credit computations.

NABARD's 'SHG Bank Linkage' Programmes

Numerous self improvement gatherings, particularly in India, under NABARD's SHG Bank Linkage program, acquire from banks whenever they have collected their very own base capital and have set up a history of normal reimbursements. This model has stood out as a potential method of conveying microfinance administrations to helpless populaces that have been hard to arrive at straightforwardly through banks or different foundations. "By accumulating their singular investment funds into a solitary store, self improvement gatherings limit the bank's exchange costs and produce an appealing volume of stores. Through self improvement gatherings the bank can serve little provincial investors while paying them a market pace of revenue.

NATIONAL RURAL HEALTH MISSION

The provision of financial management of National Rural Health Mission in Haryana. An attempt was made to know the total finance to allocate, release and expenditure for the National Rural Health Mission in Haryana is given below Table 4.8.

ISBN: 978-81-959291-4-6

Table 1

Financial Management under NRHM in Haryana (Rs. in crores)

Years	Allocation	Release	Expenditure	%Release against Allocation	% Expenditure against Release
2008-2009	69.33	85.14	53.88	122.80	63.29
2009-2010	117.69	134.69	90.66	114.44	67.31
2010-2011	137.59	131.79	105.83	95.78	80.30
2011-2012	151.84	186.08	105.59	122.55	56.74
2012-2013	149.69	-	-	-	-
Total	626.14	537.69	355.95	85.87	66.20

Source: Annual Report of Health Department, Haryana (2008 - 2013)

Table features that the absolute money was apportioned Rs. 626.14 Crores for the period 2008-09 to 2012-13 for the execution of the National Rural Health Mission program in Haryana. Out of which Rs. 537.69 Crores (85.87%) were delivered for a similar period. The absolute use was Rs. 355.95 Crores (66.20%) against the delivery. The absolute use was not adequate for the execution of National Rural Health Mission programs in Haryana.

JANANI SURAKSHA YOJANA

The Hon'ble Prime Minister dispatched Janani Suraksha Yojana (JSY) on twelfth April 2005. The plan has the double destinations of diminishing maternal and baby mortality by advancing institutional conveyance among helpless women.

Awareness of Respondents about the Implementation of Janani Suraksha Yojana

The respondents were asked questions and their response has been tabulated, processed and depicted in the table given below.

Table2

Awareness of Respondents about the Implementation of Janani Suraksha Yojana

ISBN: 978-81-959291-4-6

Sr. No	Name of Selected Districts	Name of Selected Blocks	Level of Awareness			Total
			High	Moderate	Low	
1.	**Mewat**	Nuh	51 (34.00)	44 (29.33)	55 (36.66)	150 (100)
		Ferozepur Jhirka	38 (38.00)	23 (23.00)	39 (39.00)	100 (100)
2.	**Gurugram**	Gurgaon	54 (36.00)	52 (34.66)	44 (29.33)	150 (100)
		Farrukh Nagar	32 (32.00)	47 (47.00)	21 (21.00)	100 (100)
		Total	175	166	159	500

Note: Figures in bracket denote percentage.

Table 2 demonstrates the current degree of attention to respondents about the execution of Janani Surksha Yojana. The respondent's mindfulness in the Nuh block is gathered at significant level as 51 (34.00) percent of the respondents have a place with this classification, trailed by a moderate level comprising 44 (29.33) percent. The excess 55 (36.66) percent of the respondents have a low degree of mindfulness. The degree of attention to the respondents regarding Janani Suraksha Yojana focus at a moderate level on the grounds that 44 (29.33) percent of the respondents have a place with this classification. The respondent's mindfulness in the

DEVI ROPAK SCHEME

The number of inhabitants in Haryana according to the 2001 registration, the number of inhabitants in the state is 21.08 million appearance a decadal development pace of 28.06%, the sex proportion (females against 1000 guys) of Haryana has declined from 870 in the year 1981 to 865 in the year 2001 which is a state of significant concern. To settle the number of inhabitants in the state and to check the declining pattern in the sex proportion, aside from previously existing dispersing and long-lasting strategies, some imaginative plan is felt to be presented in the state which can sharpen the local area towards the need of embracing one youngster standard and dividing of kids. Advance these thoughts particularly the love birds. Keeping in see the above destinations, a plan by the name "DEVI RUPAK" is proposed to be presented. The presentation of this plan will likewise expand the current family government assistance benefits and will persuade an ever increasing number of couples to embrace these

ISBN: 978-81-959291-4-6

standards.

The fundamental thought of "DEVI RUPAK" is to give a month to month motivation of up to Rs 500 every month to a couple tolerating a terminal strategy for family arranging (for example Vasectomy or Tubectomy all things considered) upon the introduction of the principal youngster or upon the introduction of the subsequent kid gave both the kids are young ladies for a time of 20 years, from the date of such acknowledgment.

The Amount of monthly Incentive Proposed to be given as under:-		
Sr. No	Stage of adoption	Incentive amount per month
1.	At the birth of first girl child	Rs. 500/-
2.	At the birth of first boy child	Rs. 200/-
3.	At the birth of second girl child	Rs. 200/-

It is vital that not a penny would be offered free to anybody. Each recipient of the plan will make a solid commitment to country working also. The Scheme will come into power from 25th September 2009.

ELIGIBILITY CONDITIONS:

1. To be eligible under the scheme a couple would have to get themselves registered with the local Gram Panchayat/Municipal Committee within those jurisdiction the couple ordinarily resides.
2. None of the partners constituting the couple should be an income Tax payee.

Table 3

Perception of Respondents about Devi Rupak Scheme

Sr. No	**Name of Selected Districts**	**Name of Selected Blocks**	**Level of Awareness**			**Total**
			High	**Moderate**	**Low**	
1.	**Mewat**	Nuh	63 (42.00)	52 (34.66)	35 (23.33)	150 (100)
		Ferozepur Jhirka	35 (35.00)	29 (29.00)	36 (36.00)	100 (100)
2.	**Gurugram**	Gurgaon	35 (23.33)	69 (46.00)	46 (28.00)	150 (100)

ISBN: 978-81-959291-4-6

		Farrukh Nagar	38 (38.00)	28 (28.00)	34 (34.00)	100 (100)
		Total	171	178	151	500

Note: Figures in bracket denote percentage.

Table 3 shows the degree of consciousness of respondents about Devi Rupak Scheme. The respondents' mindfulness in Nuh block is concentrated as high as 63 (42.00) percent of the respondents' have a place with this class, trailed by moderate level comprising 52 (34.66) percent. The leftover 35 (23.33) percent of the respondents' have the low degree of mindfulness.The degree of consciousness of respondents in Ferozepur Jhirka demonstrates that 35 (35.00) percent have a place with significant level classification, 29 (29.00) percent moderate and staying 36 (36.00) percent respondents' establish low level class.

WELFARE SCHEMES FOR WOMEN: SWASTHYA AAPKE DWAR

By and large, it is accepted that the plan Swasthya Aapke Dwar assumes a significant part in looking for help from the public authority to give wellbeing administrations from one way to another of the respondents, and they can approach all the more effectively when contrasted with Mewat and Gurugram locale. Hon'ble Chief Minister, Haryana on "Haryana Day" reported that every single resident of Haryana will be medicinally inspected at their doorstep under the "SWASTHYA APKE DWAR" program. The current populace of the State is 202 crore. Possessed in 6955 towns and 106 towns.

Aims

1. To medically examine/screen every citizen of the State.
2. To provide investigative and referral services.
3. To provide spectacles to senior citizens having defective vision.
4. To carry out disease surveillance and generate public awareness through IEC activities.

Objectives

1. To improve the health status of citizens of Haryana.
2. To reduce the morbidity and mortality due to various diseases.

STRATEGY TO BE ADOPTED FOR IMPLEMENTATION OF THE SCHEME:

Clinical assessment of the whole populace of the State inside a limited capacity to focus 1 year is an immense undertaking. To carry out the C.M's declaration in its actual letter and soul inside the specified period, a gathering was held under the chairmanship of

ISBN: 978-81-959291-4-6

Commissioner and Secretary to Govt. Haryana, Department of Health and Medical Education to chalk out the system for execution of declaration of Hon'ble Chief Minister, Haryana on "Haryana Day" that every single resident of Haryana will be medicinally analyzed at their doorstep under "SWASTHYA APKE DWAR".

Table 4

Perception of Respondents about Swasthya Aapke Dwar Scheme

Sr. No	Name of Selected Districts	Name of Selected Blocks	Level of Awareness			Total
			High	Moderate	Low	
1.	**Mewat**	Nuh	35 (23.33)	45 (30.00)	70 (46.66)	150 (100)
		Ferozepur Jhirka	22 (22.00)	42 (42.00)	36 (36.00)	100 (100)
2.	**Gurugram**	Gurgaon	54 (36.00)	52 (34.66)	44 (29.33)	150 (100)
		Farrukh Nagar	33 (33.00)	43 (43.00)	24 (24.00)	100 (100)
		Total	144	182	174	500

Note: Figures in bracket denote percentage.

SATISFACTION OF RESPONDENTS WITH THE TIMING AND DISTRIBUTION OF GRANTS-IN- AIDS

The respondents were asked to tell as to whether they were satisfied with the timings and distribution of Grants-in-Aids. Their responses are shown in Table 4.12.

Table 5

Satisfaction of respondents with the Timing and Distribution of Grants-in-Aids

Response	Satisfaction with			
	Timings		Distribution of Grants-in-Aids	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	350	70	325	65
No.	150	30	175	35
Total	**500**	**100**	**500**	**100**

ISBN: 978-81-959291-4-6

It is essential that the timings and appropriation of Grants-in-Aid should suit to the necessities of respondents. In this association, the respondents were asked regarding whether the timings and dissemination of awards in-help fit them. In light of this inquiry, 350 (70 percent) of them detailed that the timings fit them. Nonetheless, the excess 150 (30 percent) announced that the timings sometimes fell short for them. The respondents ought to be given adequate reactions about their fulfillment. The respondents were again gotten some information about their fulfillment with the awards in-help. There were 325 (65 percent) respondents who communicated their fulfillment with the circulation of awards in-help. The rest 175 (35 percent) were not happy with the dispersion of awards in-help well on schedule according to their prerequisite. So they were requesting the circumstance and appropriation of awards in-helps according to the public authority strategy and projects. **A**

VIEWS BOUT THE PROBLEM BEING FACED DUE TO IRREGULAR FINANCE FOR RESPONDENTS

It has been seen that the respondents deal with the issues of unpredictable money for respondent's arrangement and developers. With the end goal of women government assistance software engineers and plans, it is important to give the money well on schedule. The table shows the perspectives on the respondents.

Table 6

Views about the problem being faced due to Irregular Financial Aid to Respondents

Response	**Satisfaction with**			
	Timings		**Irregular distribution of Finance**	
	No. of Respondents	**Percentage**	**No. of Respondents**	**Percentage**
Yes	268	53.60	285	57
No.	232	46.40	215	43
Total	**500**	**100**	**500**	**100**

Upwards of 268 (53.60 percent) of the respondents announced with regards to the circumstance to give the money to government assistance conspires But there were 232 (46.40 percent) of them who told that the public authority was not discharge the money for women government assistance for the fix time. It is clear that the women deal with the issues without any money. It is wanted that the public authority should make it sure that the money

ISBN: 978-81-959291-4-6

ought to be distribute for the government assistance of women well on schedule. All the 285 (57 percent) respondents notice issues identifying with unpredictable circulation of money. There were 215 (43 percent) respondents likewise detailed the public authority isn't not kidding to give the appropriation of money to the government assistance of women.

Ladli

Plans are ready and run by the State Government reserves alone. These are planned by State Government as per the particular requirements of the women's of the state. These women government assistance ladli plot is being executed by Government of Haryana. During the review they chose regions is shown mindfulness about the execution of women's government assistance ladli plot in Haryana.

Table 7

Awareness about the Women Welfare Scheme of Ladli

Sr. No	**Name of Selected Districts**	**Name of Selected Blocks**	**Level of Awareness**			**Total**
			High	**Moderate**	**Low**	
1.	**Mewat**	Nuh	38 (25.33)	54 (36.00)	58 (38.66)	150 (100)
		Ferozepur Jhirka	22 (22.00)	42 (42.00)	36 (36.00)	100 (100)
2.	**Gurugram**	Gurgaon	35 (23.33)	45 (30.00)	70 (46.66)	150 (100)
		Farrukh Nagar	33 (33.00)	43 (43.00)	24 (24.00)	100 (100)
		Total	128	184	188	500

Note: Figures in bracket denote percentage.

Table 7 uncovers that the respondents' mindfulness in the Nuh block is gathered at significant level as 38 (25.33) percent of the respondents have a place with this classification, trailed by a moderate level establishing 54 (00) percent. The excess 58 (38.66) percent of the respondents' have low degree of mindfulness The degree of consciousness of respondents' in Ferozepur Jhirka demonstrate that 22 (22.00) percent of respondents' have a place with a significant level class, 42 (42.00) percent moderate level and the remaining58 (38.66) percent respondents establish a low-level classification. Again the respondents have a place with this classification, trailed by a moderate level comprising 45 (33.00) percent. The excess (46.66)

ISBN: 978-81-959291-4-6

percent of respondents' have low degree of mindfulness. The respondents' mindfulness in the Farrukh Nagar block uncovers that 33 (33.00) percent of the respondents have a place with undeniable level classification, followed moderate level comprising 43 (43.00) percent. The excess 24 (24.00) percent of the respondents have low level mindfulness.

CONCLUSION AND SUGGESTIONS

Government has an obligation regarding the women government assistance of its residents which must be satisfied by the arrangements of sufficient social government assistance measures. On account of a government assistance state like India. It turns out to be more mandatory upon the Government to guarantee that its kin partake in the essential conditions to achieve principles of social government assistance offices as key right regardless of their race, religion, shading and political conviction. Social separation with its specialist outline of gatherings and of status of people is exceptionally inescapable element of the human culture. Generally this status relies upon the singular's accomplishments in different fields. This separation is noticeable in extraordinary rights for certain gatherings and inabilities on others in the maters of dress, occupation and even food. In certain networks the situation with an individual is dictated by birth. In Hindu society this hypothesis of status by birth has been conveyed a lot farther. Separated gatherings in the question of exceptional rights and handicaps arose. This class framework impacted the methods of living, the beliefs of the gatherings and the entire course of social choice. It showed as women government assistance framework denying openings. In India guys consistently made on endeavor to take advantage of women more fragile segments of society.

REFERENCES

1. Ranjay Vardhan, Female Headed Households in Patriarchal Society: A Sociological Study, Indian Publishers Distributors, Delhi, 1999, p. 96.

2. Indu Prakash Singh, Women, Law and Social Change in India, Sangam Books Limited, 1989, p. 11.

3. Ann Oakley, Sex, Gender and Society, Temple Smith, London, 1972 quoted in Bashir A. Dabla, Sandeep K. Nayak, Khurshid-ul-Islam, Gender Discrimination in the Kashmir Valley, Gyan Publishing House, New Delhi, 2000, p. 39.

4. Teresa De Lauretis, Technologies of Gender, University of Indiana, Bloomington Press, 1997 quoted in Sushama Sahay, Women and Empowerment: Approaches and Strategies, Discovery Publishing House, New Delhi, 1998, p. 2.

5. Michele A. Paludi (ed.), Praeger Guide to the Psychology of Gender, Praeger Publishers, Westport, CT, 2004, p. xix

6. Laurie Davidson and Laura Kramer Gordon, The Sociology of Gender, Rand McNally, Chicago, 1979, p. v.

7. Janet Sigal and Maureen Nally, "Cultural Perspectives on Gender", in Michele A. Paludi, op. cit., p. 27.

8. Monica Sharma, The Patriarchal Gaze: A Symbolic Interactionist Study of Genderized Advertisements, Unpublished Dissertation, Centre for the Study of Social Systems, School of Social Sciences, JNU, New Delhi, 1990, p. 4.

9. Mridula Bhadauria, Women in India: Some Issues, APH Publishing Corporation, New Delhi, 1997, p. 77.

10. Michele A. Paludi, op. cit., pp. xix, 27.Ibid., p. xiv-xv.

11. Carol R. Ember and Melvin Ember, Encyclopaedia of Sex and Gender: Men and Women in the World Cultures: Topics and Cultures (A-K), Vol.1, Kluwer Academic / Plenum Publishers, New York, 2004, p. 11.

12. Judith Worell (ed.), Encyclopaedia of Women and Gender: Sex Similarities and Differences and the Impact of Society on Gender,Vol. 1, A-K, Academic press, 2001,

13. p. 562 Also see Alice H. Eagly and Abigail A. Mitchell, "Social Role Theory of Sex Differences and Similarities: Implications for the Sociopolitical Attitudes of Women and Men", in Michele A. Paludi, op. cit., p. 188.

14. Alice H. Eagly and Abigail A. Mitchell, "Social Role Theory of Sex Differences and Similarities: Implications for the Sociopolitical Attitudes of Women and Men", in Michele A. Paludi, op. cit., p. 191.

15. Snigdha Dora, Women and their Persistent low Status: Cognitions, Explanations and Diagnosis, Unpublished Dissertation, Centre for the Study of Social Systems, School of Social Sciences, JNU, New Delhi, 1994, p. 80.

16. Introducing Human Rights: An Overview Including Issues of Gender Justice, Environmental and Consumer Law, South Asia Human Rights Documentation Centre, Oxford University Press, New Delhi, 2006, p. 155.

17. Basic Facts About the United Nations United Nations, Department of Public Information, New York, 2004, p. 243.

18. The United Nations and Human Rights 1945-1995, Vol. VII, Department of Public Information, United Nations, New York, 1995, p. 84.

ISBN: 978-81-959291-4-6

RTI Act, 2005: An Introduction

Meenu

Open Scholar, Department of Commerce

Jind, Haryana, India

sheoranmeenu36@gmail.com

Abstract

Being a citizen of India right to Information is our basic right. We can get information from any of the one commission whether central information commission or state information commission fr this we have to write an application to the central or state information commission with prescribed fees. If the application is rejected Public information commission will communicate by defining reason of being rejected after that we can appeal within prescribed time period. If after the investigation the commission found Public information officer at fault he will get opportunity to be hearel and then if get an opportunity to be healer and then if commission found somewhere fain to be his duties at a particular situation then all the allegation will be removed otherwise the commission will impose penalty up to 25000.

Introduction:

India is a democracy country and democracy requires informed citizenry and transparency of information which are vital to its functioning and also to contain corruption and to hold government and their instrumentalist accountable to the governed. The right to information is implicitly guaranteed by the constitution. However to set out a partial regime for securing information the Indian parliament enacted RTI act 2005 and thus gave a powerful weapon/tool to the citizens to get information.

Right to information:- RTI means right to information accessible within 30 days and 48 hrs in case of emergency under this act which is held by or under the control of any public authority and includes the right to –

(i) inspection of work, documents, records

(ii) Taking certified samples of material

ISBN: 978-81-959291-4-6

(iii) Taking notes, extracts or certified copies of documents

(iv) Obtaining information in the forms of CCTV, tapes etc.

I. **Objectives**:- (i) to provide for setting out practical regime of right to information for citizens to secure access to information under the control of Public authorities.

(ii) To promote transparency and accountability in the work of every Public authority

(iii) To set up Central information commission and state information commission for the matters concerned therewith.

(iv) To harmonies revelation of information with Public interest including efficient operations of the governments optimum use of limited fiscal resources and the preservation of confidentiality of sensitized information.

The central information commission

Commission of central information commission

(i) The central government shall be notification in the official gazette, constitution a body to be known as central information commission to exercise the powers conferred on and to perform the function assigned to it. Under this act.

(ii) It consists of chief information commissioner and such number of central information commissioners not exceed to

(iii) CIC and other member appointed by president on the recommendation of a committee consisting of-

  (i) PM as chairperson of committee

  (ii) Leader of opposition in Lok Shaba

  (iii) A union cabinet minister to be nominated by PM.

  (iv)The general superintendence direction and management of the affairs of the Central commission shall vest in it.

(V) Cic and members should wide knowledge & experience in low, science & technology, social service, management, journalism, mass media & administratin & governance.

ISBN: 978-81-959291-4-6

(vi) CIC and its member shall not be a member of Parliament or member of legislature.

(vii) Heal quarter of (CIC) at Delhi but with the pervious approval of Central govt. establish offices at other place In India.

Term of service is 5 year not eligible for reappointment upto age of 65 only.

Can resign by writing under his hand addressed to president public information officers are the officers designated by Public Authorities in all administrative units on officers under it to provide information to the citizens requesting for information under RTI Act.

Methodology:- If we want information then we have to follow the procedure for obtaining information under Right to information act:-

1. Request of obtaining information: A person who deserves under this act shall make a request in writing on through electronic means in English or Hindi or in the official language of the area in which the application is being made, accompanying such fee as may be prescribed to the Public information officer on assistant Public information officers (APIO) as the are may be
2. Depositing fee obtaining information: For obtaining any applicant is required to deposit a cetain fees as prescribed different fee for seeking information. Application fee for control Govt. is Rs. 10. Both at state is centre level no fee for 1 hr but after that 5 Rs per hour. The modes of paying fees is cash.
3. Disposal of Request: Normally we get information within 30 days but if it is related to third party within 40 days. In case of emergency if request rejected then Public information officer shall communicate to the person making request about reason and particulars of the appellate authority.

State information Commission:-

(i) Every state govt. shall by notification in the official Gazette, constitute a body to be known as the state information commission to exercise the powers conferred on, and to perform the functions assigned to it under this act.

(ii) The state information commissioner and number of members shall not exceeding ten.

ISBN: 978-81-959291-4-6

(iii) The state Chief Information Commissioner and State information commissioner shall be appointed by the governer on the recommendation of a Committee consisting of CM who shall be chairperson in the Legislative Assembly. A cabinet Minister to be nominated by CM.

(iv) The general superintendence, direction and management of the affairs of the state information commission shall vest in the SC/C who shall be assistant by SIC.

(v) SCIC and SIC shall have wide knowledge and experience in law, Science & Technology, Social service, Management, Journalism Mass Media on administration and governance.

(vi) The state Chief Minister commission or a state information commission shall not be a members of Parliament on members of the legislature of any state.

(vii) Headquarter anywhere in the state by approval of state Government.

Term of Service is only 5 year till the age of 65 not eligible for reappointment. Salary & allowance same as Election commission can rejign by writing under his hand addressed to the governor, resign from office.

Appeals:-

The applicant can file appeal with the respective appellate Authorities if there is delay in disposal of request.

Procedure to be followed by commission in Appeal

1. Summoning and enforcing the attendance of persons and compel them to give and on writer evidence on oath and to produce and inspection of documents on things.
2. Requiring the discovery and inspection of documents.
3. Receiving evidence on affidavit.
4. Requisitioning any public record on copies there of from any court on office.
5. Issuing summons for examination of witnesses on document.
6. Any other matter which may be prescribed.

Penalty:- Where the information Commission, at the time of deciding any complaint or appeal of the opinion that the Public Information officer has without any reasonable cause refused to receive an application then Rs. 250 each day from the date of application received will be charged but not exceeding Rs. 25000. But before any penalty Public information

ISBN: 978-81-959291-4-6

officer shall be given a reasonable opportunity of being heard by the information commission. List of intelligence & Security organization exempted from RTI Act example are total 22 but some are:-

1. Intelligence Bureau
2. Aviation Research Centre.
3. Special Frontier force.
4. Border Security force.

Conclusion

RTI is our basic right to use in case when we want information regarding particular things. For this we have to apply through application. We can right application to Central on State information commission. According to Govt. guidelines we have the right to get information about a particular product as well that's why its mandatory to companies to use label with information regarding price, elements ingredients used in making product and expiry date of the product. It is done for the welfare of people in society.

Trends and Composition of Public Expenditure in India (1971-2015)

Sonia

ISBN: 978-81-959291-4-6

Assistant Professor, Department of Economics
Govt. College Julana, Jind, Haryana, India
sonie0011@gmail.com

Abstract

Government spending which also refers to as public expenditure indicates those expenses which are taken up by central, state and local governments of a country for its own maintenance and to satisfy the collective social wants of the people such as pension, infrastructure etc.

Introduction

Before independence, Indian economy was being run by British Empire, and the expenditure pattern was strongly influenced by the national priorities of Britain. When India got independence in 1947, not only it was felt that active role of government had to be increased; the need to prioritise expenditure was also strongly felt. If we give a look at trends of public expenditure we will find it is increasing at times both intensively and extensively.

In this chapter, the trends of public expenditure with main focus on revenue expenditure and capital expenditure has been presented.

Trends of public expenditure in India:

Table 1.1 shows the trends of public expenditure in India, for the period 1971 to 2015. Total expenditure has been further sub-divided into revenue expenditure and capital expenditure. The entire time period has been sub-divided into two parts viz., 1971-1991 and 1992 to 2015.

Table 1.1:

Expenditure of central government (at 2004-05 prices)

(1971 to 1991)

(In Rs. Crores)

ISBN: 978-81-959291-4-6

Year	Revenue Expenditure	Capital Expenditure	Total Expenditure
1971-72	491.09	361.88	853.97
1972-73	510.46	373.34	883.80
1973-74	446.87	321.89	768.76
1974-75	423.97	318.07	742.05
1975-76	527.04	407.93	934.97
1976-77	611.69	398.45	1010.13
1977-78	640.51	449.93	1090.44
1978-79	751.20	568.50	1319.69
1979-80	708.46	429.71	1138.18
1980-81	731.47	424.26	1155.74
1981-82	715.32	457.61	1172.93
1982-83	829.29	533.14	1362.43
1983-84	915.68	546.63	1462.30
1984-95	1070.39	616.20	1686.59
1985-86	1255.98	693.89	1949.87
1986-87	1429.17	771.46	2200.63
1987-88	1493.82	714.56	2208.38
1988-89	1629.21	752.94	2382.14
1989-90	1799.10	804.09	2603.19
1990-91	1868.26	807.67	2675.93

Source :Handbook of Statistics on the Indian Economy (2015-16), Reserve Bank of India.

As can be seen in table 1.1, even after taking at constant prices, the public expenditure in India has shown a constant increase over the period 1971 to 1991. Similar pattern is observable for post-reform period i.e., 1992 to 2015, as shown in table 1.2.

Observation of general trends further led to the exploration of the reason behind this continuous increase. To see whether the increase is smooth and continuous, as predicted by Wagner, or sudden with structural breaks, as predicted by Wiseman and Peacock, we further plotted the data graphically, which is shown in figure 1.1 and 1.2.

Table 1.2:

Expenditure of central government (at 2004-05 prices)

ISBN: 978-81-959291-4-6

(1992 to 2015)

(In Rs. Crores)

Year	Revenue Expenditure	Capital Expenditure	Total Expenditure
1992-93	1881.51	607.18	2488.69
1993-94	2026.02	630.90	2656.92
1994-95	2031.48	642.61	2674.08
1995-96	2154.36	591.71	2746.07
1996-97	2340.35	619.56	2959.90
1997-98	2543.51	729.45	3272.96
1998-99	2881.54	837.05	3718.58
1999-00	3211.01	631.37	3842.37
2000-01	3342.63	574.51	3917.13
2001-02	3500.96	706.56	4207.53
2002-03	3803.63	837.00	4640.63
2003-04	3855.54	1162.06	5017.60
2004-05	3843.29	1133.31	4982.52
2005-06	4204.56	635.04	4839.60
2006-07	4619.47	617.40	5236.87
2007-08	5098.05	1014.05	6112.10
2008-09	6299.97	715.54	7015.52
2009-10	6971.02	861.45	7832.47
2010-11	7262.55	1092.85	8355.39
2011-12	7340.07	1015.89	8355.96
2012-13	7419.53	995.57	8415.11
2013-14	7723.94	1056.73	8780.67
2014-15	8216.23	1061.69	9277.91

Source :Handbook of Statistics on the Indian Economy (2015-16), Reserve Bank of India.

Figure 1.1: Trends in Composition of Total Expenditure of Central Government

ISBN: 978-81-959291-4-6

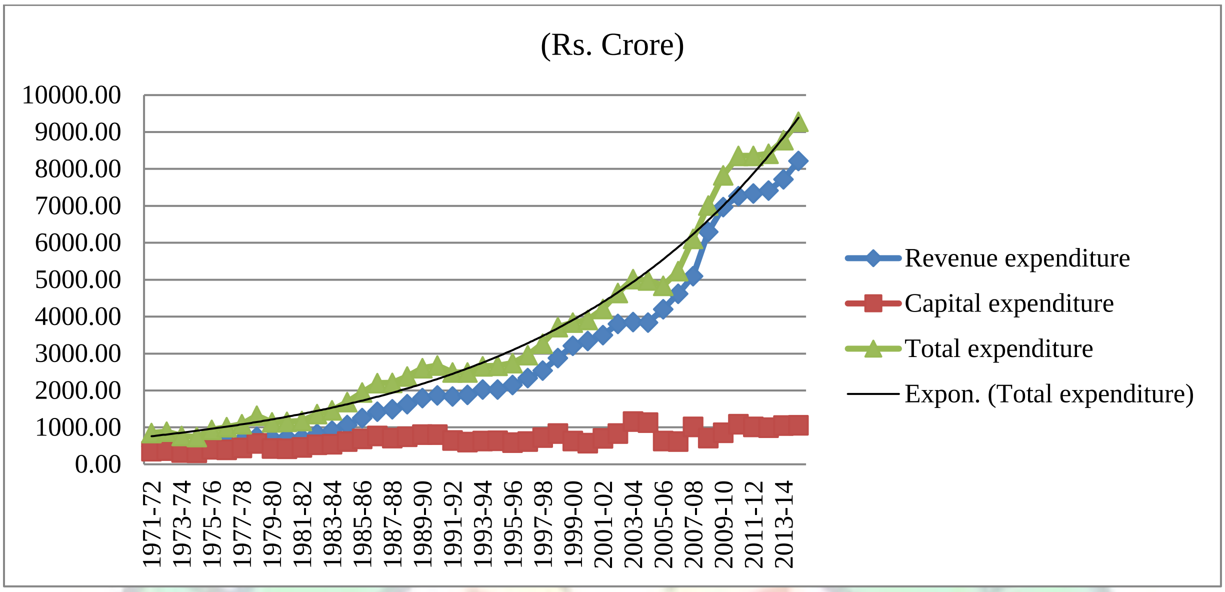
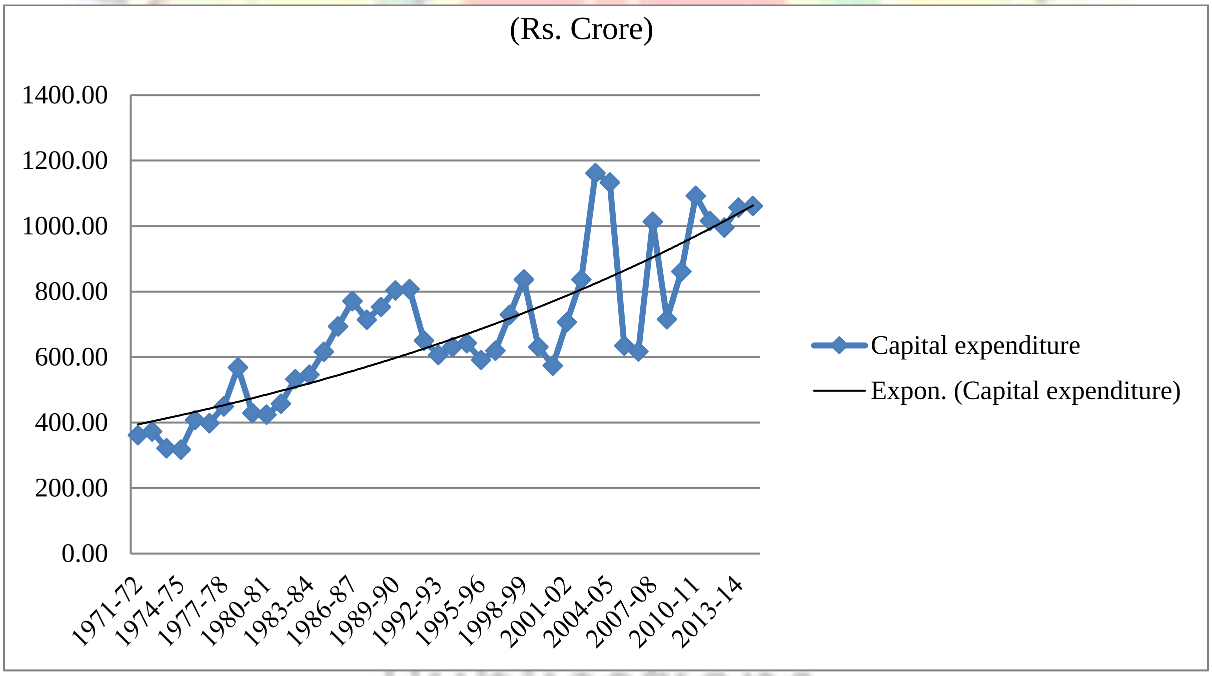


Figure 1.2: Trends in Composition of Capital Expenditure of the Central Government



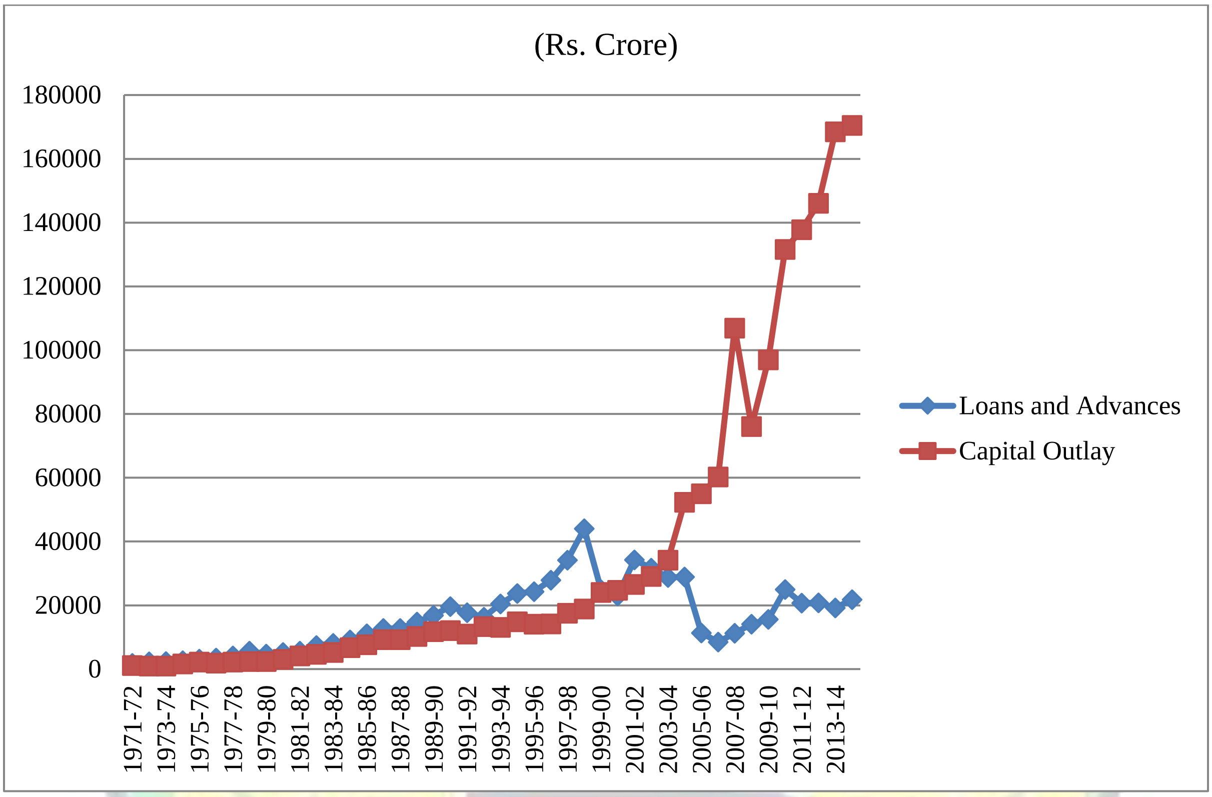
Analysis of trends in Capital Expenditure:

Capital expenditure consists of a small share of total expenditure in India. With passage of time capital expenditure has also increased but not as much as it needed. The share of capital expenditure has fluctuated many a time. In absolute terms, in 1975-76 it was 407.93 crore but soon it increase and reached a level of 568.50 crores in 1978-79. But it again declined in the

ISBN: 978-81-959291-4-6

next year. After this, the capital expenditure increased continuously till 1986-87 and it reachedat the level of 771.46 crore.

Figure 1.3: Sub-Components of Capital Expenditure



In 1986-87 it was first time that the 40 per cent of total outlay for five year plan. In 1989-90, 1990-91 it was almost equal for these two years. Again it started declining till 1995-96. After continuous increase till1998-99 it again came down in 2000-01. But in 2003-04 capital expenditure was its peak point of 1162.06 crore at that time. It decreased till 2006-07 but increased in the next year, though it came down to in 2008-09. In 2010-11 it again increased 1092.85 crore.

Table 1.3(a): Trends of Capital Expenditure of the Central Government of India

(In Rs. Crores) (1971-1991)

Year	Loans and Advances	Capital Outlay
1971-72	1807	1117

ISBN: 978-81-959291-4-6

1972-73	2344	975
1973-74	2432	1009
1974-75	2629	1630
1975-76	3151	2250
1976-77	3517	1870
1977-78	4155	2243
1978-79	5666	2418
1979-80	4720	2439
1980-81	5285	3073
1981-82	5658	4199
1982-83	7384	4665
1983-84	8053	5230
1984-85	9194	6747
1985-86	11087	7655
1986-87	12797	9259
1987-88	12793	9294
1988-89	14750	10255
1989-90	16890	11808
1990-91	19652	12130

Source :Handbook of Statistics on the Indian Economy (2015-16), Reserve Bank of India.

The loans and advances of government in absolute terms, was 1807 crore in 1971. It increased till 1978-79 continuously till it become 5666 crore. After declining for a year in 1979-80 at 4720 crore it again started to rise. Loans and advances of central government have shown an upward trend after 1979-80 and rose till 1990-91 to 19652 crore. Further, for two years it came down. In 1998-99 loans and advances of central government was at its peak point with 44037 crore. But it further decelerated and was on its lowest in 2005-06. After gradually increasing till 2010-11 again it decreased in the next year and again started increasing at a slow pace.

Table 1.3(b): Trends of Capital Expenditure of the Central Government of India

(In Rs. Crores) (1992-2015)

ISBN: 978-81-959291-4-6

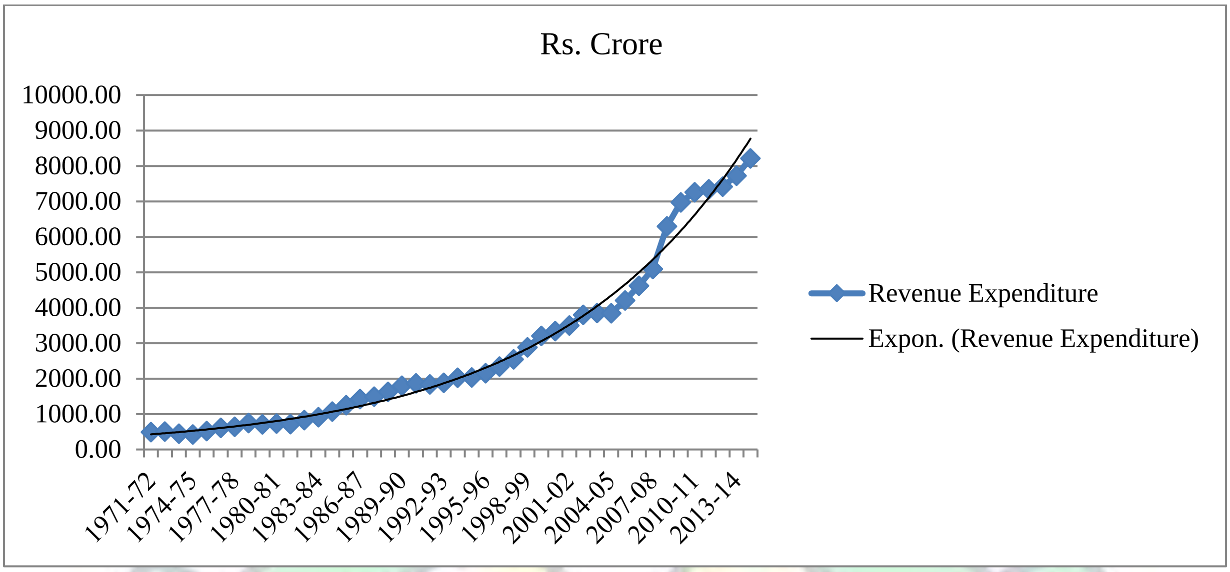
Year	Loans and Advances	Capital Outlay
1992-93	16297	13385
1993-94	20454	13089
1994-95	23736	14891
1995-96	24316	14099
1996-97	27878	14196
1997-98	34193	17526
1998-99	44037	18841
1999-00	24938	24037
2000-01	23008	24745
2001-02	34284	26558
2002-03	31668	29101
2003-04	28768	34150
2004-05	28910	52338
2005-06	11337	55025
2006-07	8524	60254
2007-08	11298	106940
2008-09	14107	76051
2009-10	15647	97031
2010-11	24985	131619
2011-12	20737	137843
2012-13	20800	146058
2013-14	19198	168478
2014-15	21835	170543

Source :Handbook of Statistics on the Indian Economy (2015-16), Reserve Bank of India.

Revenue Expenditure:

Figure 1.4: Revenue Expenditure of Central Government

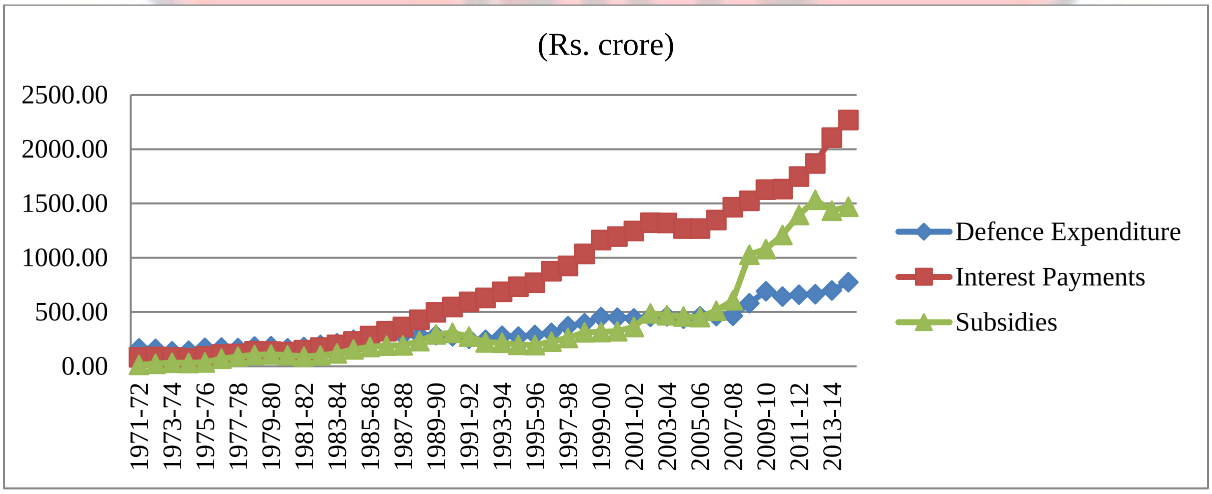
ISBN: 978-81-959291-4-6



Revenue expenditure is considered to be unproductive. As a part of total expenditure the share of revenue expenditure is continuously increasing.

It was 715.32 crore in 1981-82. By increasing continuously in 1991-92, it reached at 1838.52 crore and in 2004-05 it was 3843.49 crore. After 2004-05 it has increased by higher rate reaching the peak level of 7262.55 crore. The expenditure wasRs. 8216.23 crore in 2014-15. The revenue expenditure has three parts mainly. Defence expenditure, interest payment and subsidies. All these three items neither decrease any liabilities nor create any assets.

Figure 1.5: Trend in sub-components of Revenue Expenditure:



Interest payment is the biggest component of revenue expenditure. From 1971-72, expenditure on this item is continuously increasing. In 1971-72 the share of interest payment in revenue expenditure was 82.920 crore and in 1980-81 this amount was 132.182 crore. In

ISBN: 978-81-959291-4-6

2002-03 the gap between interest payment and other two components i.e., defence and subsidy was very high .Some decline was noticed in it in 2004-05 when it came down a little on 1269.34 crore. But after it again started to increase and it was 2270.165 crore in 2014-15.

In year 1971-72, the share of subsidies of central government at 2004-05 constant prices was 12.871crore which gradually increased to 90.111 crore by 1981-82. The subsidies of central government rose to 308.970 crore in the next ten years till 1990-91. In later years it showed a downward trend and in year 1995-96 the subsidies were 195.101 crore. After 1995-96 subsidies showed increase till 2002-03.after declining till 2005-06 it again start rising gradually. A biggest increase was found in 2008-09 comparatively to2007-08. In 2007-08 subsidies were 608.284 but 1029.428 crore in 2008-09. Farm loan waiver and 2009 being the election year can be two main reasons behind it. It gradually increased from 2008-09 to 2012-13 but again showed decline in next year.

Analysis of Expenditure pattern:

If we see trends in expenditure for central government, we find that the fiscal situation was becoming worrisome by the second half of 1990's. Interest payments constituted nearly 37 percent of revenue expenditure and 47 percent of revenue receipts in 1996-97.

According to Sharma (2014), after further deterioration till 2001-02, fiscal situation of the central government started improving, and the fiscal deficit as well as revenue deficit and primary deficits as ratio to GDP started showing improvement. This improvement persisted even after FRBM act 2003, though during the post FRBM phase reduction was higher.

In this context Dholakia *et al.* (2009) show that during the FRBM period, there has been significant improvement in the fiscal indicators, mainly as a result of increased revenue mobilisation and some expenditure reduction in both the revenue and the capital component of expenditure. According to their finding Improvement in the revenue followed from rise in the direct tax collection while the indirect tax collection and non-tax revenue as a proportion of GDP declined. With regard to expenditure, both the revenue and the capital expenditure as a ratio to GDP declined. According to their study, most of the decline in the revenue expenditure was due to decline in the interest payment owing to lower interest rate, and the non-interest or primary revenue expenditure actually increased due to inability to reduce the expenditure on subsidies (on food, fertilizer and oil) and the increase in grants to States. The decline in capital expenditure, however, was largely due to reduction of loans to the States.

ISBN: 978-81-959291-4-6

Rao (2009) also shows that substantial portion of the adjustment was achieved by compressing capital expenditures and whatever adjustment was achieved was attributable mainly to increase in tax revenues arising mainly from improvement in computerised information system. He blames the government for failing to achieve the adjustment as envisaged in the FRBM act, particularly in 'weeding out' unproductive expenditures and in protecting capital expenditures.

While appreciating performance of finances of central government under FRBM, the Economic Survey (2012-13) had observed, "… the overshooting of the deficit targets in 2008-09 was a conscious decision to obviate the adverse impact of the global financial crisis".

Conclusion:

Revenue expenditure mainly represents non-developmental expenditure that is not a good sign for a developing country like India. From administrative point of view it is considered desirable and it increases with population and per capita income. But increase in non-development expenditure is much more than population growth rate and per capita income in India.

References:

Studies (Dholakia etal. (2009), Rao (2009)) have shown that factors like pay revision, decline in central revenues from excise duty and custom duty apart from increase in interest payment and subsidy burden were instrumental in the deterioration of fiscal situation.

`Sharma, S. (2014): India's Public Debt and Policy: With Special reference to post-reform period. Ph.D Thesis, Department of Economics, Panjab University, Chandigarh.

Dholakia, et al. (2009): "An Outline of Post 2009 FRBM Fiscal Architecture of the Union Government in the Medium Term".

Retrieved from http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=2038

Rao, M.G. (2009): Fiscal situation and Reforms Agenda for the New Government, Economic and Political Weekly, Vol. 54, June, pp. 77-85.

Different Models of Micro Finance in India

ISBN: 978-81-959291-4-6

Dr. Ragini Agrawal

Associate Professor, Department of Commerce

University of Delhi, New Delhi, India

Abstract

To overcome the constraints of formal financial system, the pioneering efforts on alternative credit delivery system is based on a new paradigm, components of which developed slowly and gradually after 1980 as micro finance. Then, the increasing micro enterprise and their access to financial services have become a priority for many governments and donor agencies all over word. The formal sector started developing a supplementary credit delivery mechanism by motivating NGOs to work as intermediaries and facilitators. At present, micro credit sector has dual aspects. The formal structure covers regulatory and legal aspect and provides credit to non-formal sector. Non-formal sector i.e. NGOs, SHGs etc. operates outside the formal sector with more flexibility and dynamism to serve at the grassroots. In India, the regulatory bodies are responsible for supplying the bulk credit for on-lending purposes. The intermediaries are commercial banks, Regional Rural Banks (RRBs), Cooperatives, Micro Finance Institutions and NGOs etc. The present study discusses the concept and origin of micro finance. It will also examine the different models of micro finance working at present in India and their role.

Concept

Micro Finance term is wider than micro credit as it encompasses the financial services like savings and loan products, insurance, pension and remittances. In India, the Task Force on Supportive Policy and Regulation Framework for Microfinance has defined Microfinance as "the provision of thrift and credit and other financial services including insurance and products of very small amount to the poor in rural, semi-urban and urban areas for enabling them to higher income levels and improving their living standards". Microfinance enterprises are the smallest recognizable businesses usually one person or family-based. They are usually informal, hardly distinguishable from the household.

Origin

To overcome the constraints of formal financial system, the pioneering efforts on alternative credit delivery system is based on a new paradigm, components of which developed slowly and gradually after 1980 as micro finance. Although, there have been many initiatives taken,

ISBN: 978-81-959291-4-6

to provide credit to the poor, outside the formal sector, but it was only after recognising the efforts of Mohammed yunus and the Grameen Bank, the micro finance concept gained momentum. He is a Bangladeshi social entrepreneur, banker, economist and civil society leader who was awarded the Nobel Peace Prize for his work and pioneering the concepts of microcredit and micro finance. In India, in 1974, Mrs. Ela Bhatt started the Self-Employed Women's Association ('SEWA') in Gujarat, and the formal starting of microfinance, is done by NABARD. The department came into being in the year 1998 with mainstreaming of the microfinance innovation viz. SHG-Bank linkage programme to a nation-wide scale. NABARD, through the department of 'Micro Credit Innovations', has continued its role as the facilitator of microfinance initiatives in the country. United Nations (UN) declared the year 2005 as ‘The UN year of Micro Credit’.

Finally, to serve the unprivileged, unbanked poor, government had initiated to cover the rural banking infrastructure, through banking institutions. The formal sector started developing a supplementary credit delivery mechanism by motivating NGOs to work as intermediaries and facilitators. At present, micro credit sector has dual aspects. The formal structure covers regulatory and legal aspect and provides credit to non-formal sector. Non-formal sector i.e. NGOs, SHGs etc. operates outside the formal sector with more flexibility and dynamism to serve at the grassroots. In India, the regulatory bodies are responsible for supplying the bulk credit for on-lending purposes. The intermediaries are commercial banks, Regional Rural Banks (RRBs), Cooperatives, Micro Finance Institutions and NGOs etc.

Different Models of Microfinance:

The Microfinance stresses on Institutional sustainability, breadth and depth of outreach as well as quality of services provided to the needy, as the key performance measures. Many innovative financial institutions, programs and products of microfinance are designed to serve the poor people. There is a focus on voluntary savings mobilization by the group members to create the independent sustainable institutions. The microfinance field is diverse and evolving further. There is no single model that fits in all the circumstances. It has informal and flexible approach to the credit needs of the poor. The following are the models operating in India:

1. **Joint Liability Group (JLG) Model in India –** JLG was introduced as a pilot project in 2004-05 by NABARD in eight states with the support of 13 Regional Rural Banks (RRBs). NABARD extends financial support for awareness creation and capacity

ISBN: 978-81-959291-4-6

building of all stakeholders of the programme. It also extends 100% refinance support to banks of such finance. NABARD grant support for formation and nurturing of Joint Liability Groups, to banks and other JLG promoting agencies.

Joint Liability Group is an informal group made up of four to ten individuals in similar economic activity, for the purpose of availing bank loan and willing to undertake to repay the loans jointly, taken by the group. JLGs are basically the groups intended for tenant farmers and small farmers, who don't have proper title of their farmland or regular savings. Their credit needs are met through loans by financial institutions. The JLG members need to give a joint declaration to the bank, after that they become eligible to avail loans. JLG members are expected to provide support to each other in carrying out occupational and social activities. They need to save regularly. Banks may open savings account in the name of the JLG / individual members of the JLG to ensure regular savings and thrift habits amongst them. However, the quantum of loan to be given to the groups relates to the credit needs of the enterprise and not to the quantum of savings.

SHG- Bank Linkage Model in India (SHG-BLP) – This model has emerged as a dominant model in terms of number of borrowers and loan outstanding. According to data cited in the Economic Survey 2022-2023, SHG-BLP covers 142 million families with saving deposits of Rs 47,240 crore. SHG Bank Linkage Programme was started by NABARD as its landmark pilot project in February, 1992 to evolve supplementary credit strategies for reaching the unreached poor in rural areas like landless agricultural labourer, rural women etc. in a transparent and cost effective manner. NABARD issued a broad set of flexible guidelines to the formal rural banking system explaining the project's modalities. The project was extended to Regional Rural Banks, (RRBs) and cooperative banks in addition to the commercial banks. Thus an informal credit system has evolved with assistance from formal financial institutions. The agencies involved in the scheme are NABARD, banks, NGOs and SHG members.

A SHG is a group of 10-20 individuals, formed voluntarily and related by affinity for a specific purpose. The members use savings, credit and social involvement as instruments of empowerment. A savings bank account is opened in a nearby bank branch and the amount is deposited in the bank, while keeping separate, a minimum balance for meeting any urgent needs. The leaders operate the bank account jointly. The members are expected to deposit the

ISBN: 978-81-959291-4-6

cash by rotation. In 2021, the government, under its COVID-19 pandemic stimulus package, increased SHGs' limit for collateral-free loans to Rs 20 lakh from Rs 10 lakh. This reportedly benefited 6.3 million women SHGs and 68.5 million households. The bank provides credit to the group three or four times of their savings, which is repaid in easy instalments. India boasts of some 12 million SHGs, of which 88 per cent are all-women-member ones. These groups usually consist of 20-25 members, mostly residents of villages as on January 2023. "The number of SHGs credit linked has grown at a CAGR of 10.8 per cent during the last ten years (FY13 to FY22), while credit disbursement per SHG has grown at a CAGR of 5.7 per cent during the same period," notes the Economic Survey 2022-2023. Under the National Rural Livelihood Mission (NRLM), the government has set a target of increasing each SHG's income to Rs 1 lakh by 2024. To do so, microfinance linked to livelihood development is the key strategy.

2. **MFI Models-** Micro Finance Institutions, (MFIs) in India has diversity of institutional and legal forms. In recent past, other type of MFI Models has gained momentum, like Trusts registered under the Indian Trust Act 1882, Public Trust Act 1920, Societies registered under the Societies Registration Act 1860, Cooperatives registered under the mutually Aided Cooperatives Societies Act of the states and non- banking financial companies (NBFC), MFI registered under section 25 of the companies Act, 1956 or NBFCs registered with the Reserve Bank of India.

Nonbank financial companies (NBFCs), also known as nonbank financial institutions (NBFIs), are entities that provide similar services to a bank but do not hold a banking license. Because of this, they are not regulated or overseen by state authorities, eg. Power Finance Corporation Limited.

3. Bank Partnership Model- In this model, MFIs act as the bank's agent for handling credit, monitoring, supervision and recovery. It handles the relationship with the client from initial start to final repayment. A different version of this model is where MFI and NBFC hold the individual loan in their books till securitizing and selling to the bank.

4. Banking Correspondent Model- In January 2006, RBI permitted banks to take the services of NGOs/ MFIs, other than NBFC and civil society organisations as intermediaries in providing financial services through the use of Banking Correspondence/ Business Facilitators, (BC/BFs) model. This model allows banks to make banking transactions at a

ISBN: 978-81-959291-4-6

location closer to the rural population. BC model uses the ability of MFIs to get closer to the rural clients for their savings mobilisation, and on the other side, MFIs relying on the financial strength of the bank for safety and security of deposits.

Role of NGOs

The social and economic issues always remain in the society, like women's safety, malnutrition, and child labour etc. NGOs work to deal with these issues effectively. Non-Governmental Organisations, (NGOs) activities may related to environmental, social, advocacy and human rights issues etc. They can work on a broad scale or locally, to promote social or political change. They work for the rights of the people. Non-governmental organizations (NGOs) and self-help groups (SHGs) are the groups that try to bring about social empowerment and work to alleviate the disparity among the different sectors of society or culture. NGO works for the advantage of others, not its members. The NGO's volunteering workforce is organized and holds a legal registration under the Societies Registration Act of 1860.

NGOs serve large part of society and well established as opposed to SHGs. NGO may help promote a SHG or a community based organisations, (CBO), together of its activities. The examples of NGOs are Cry, Aanganvadi, to help the underprivileged children in India and provide them with better education, food, and sanitation.

The Small Industries Development Bank of India (SIDBI) supported many NGOs. This led to rapid growth of micro finance sector. The role of NGOs is given in the following points:

1. Since, NGOs are usually a voluntary organization with a social mission that operates independently from the government, the primary role of an NGO in a microcredit programme is that of an intermediary between lenders (such as banks, local governments or aid donors) and borrowers (mostly low-income households and microenterprises). The bank provides loan capital and accepts savings deposits. The NGOs receive income for the services they provide, either as a fee from the bank or by borrowing from the bank and re- lending the money to small rural borrowers, at a higher rate.
2. As an efficient distribution tool, NGOs can play a decisive role in rural growth, thereby improving the quality of life and the socio-economic status of rural people. The rural development programs have had a positive effect and have greatly enhanced their quality of life.

ISBN: 978-81-959291-4-6

3. NGOs regularly conducts skills training programs for SHGs to encourage leadership abilities and income-generating activities.
4. As an intermediary, they play an important role in initiating the right enterprises and technical skills to SHGs. Technical expertise, skills training, and marketing strategies are offered to women to help them develop a sustainable business.
5. An NGO serves as the key to building capacity. The NGO's capacity planning system has brought beneficial improvements in the lives of many rural women, thus improving their skills and abilities. Capacity planning empowers women to meet the challenges required for jobs.
6. NGOs help several prospective clients collectively. They serve to the larger part of the population and work for their advantages.
7. They work as a cohesive unit for the upliftment of their economic and social condition

Role of Self Help Groups (SHGs)

The Self-Help Groups refer to self-governed, peer controlled, informal communities of individuals of the same socio-economic context with willingness to carry out shared purpose collectively. The poor rural people come together to save, whatever sum they can easily save from their earnings, to collectively agree to contribute to a common fund, and to lend to the members to meet their immediate needs.

SHG is an independent entity, not accountable to answering their actions to the law authority. Act/provision that controls the SHG's operations at present, is formed as per the principle of Article 19 (1), which states that folks are independent in forming any group with their mutual agreement.

SHG usually focused on a small section of society that seeks advancement, especially in backward or rural areas. The first working protocol of SHG confined around mutual help. SHGs work with an equivalent intention as NGOs, but with limited access to society. They only affect small groups and provides aid to the people. NGOs and SHGs also affect the prospects of healthcare, living, sanitation, and education. SHG may be a (community based organisations, /CBO), beneficiary organization. It works for its members, for the promotion of their economic and other interests. SHG or CBO isn't an NGO. An SHG is a group of 10 to 20 members generally from the same locality and having some degree of

ISBN: 978-81-959291-4-6

homogeneity. The basic requirement is that there must be some kind of affinity, be it in terms of cast, socio-economic status or occupation.

The objective of an SHG is to make collective effort for the development of its members. They meet at regular intervals, for thrift and credit activities and promoting enterprising activities directly or indirectly. They are free to say or complain, in the interest of the members. However, it is not necessary that the group is involved in enterprising activity. The group may involve in non-financial activities like health, education, women empowerment etc. The role of SHGs is mentioned in the following points:

1. Women are becoming more vocal and certain on social and family issues. It also heightens their self-esteem.
2. There is reduced dependency on informal money lenders, due to the support by SHGs. They also develop relations of debtors with credit delivery institutions. They promote the habit of saving among members and thus help in making their capital resource base.
3. It promotes the concept of group accountability ensuring that the loans need to pay back. The SHGs enable the members to cooperate and maintain a good environment.
4. SHGs support rural people in starting micro-enterprises or personalized business ventures like tailoring, grocery, and motor mechanic repair shops.
5. The SHGs use local resources to make teams. And in this venture, NGOs supports in training people to manage bank accounts, and to assess the business potential of the local markets, and to upgrade their skills.
6. SHGs works on the concept of financial inclusion. This has led to reduced child mortality, improved maternal health etc. Thus, the poor people are better equipped to fight diseases through good nutrition, better housing facilities, particularly women and children.
7. They provide economies of scale. The SHGs are channels of routing financial services from financial institutions. It decreases the cost of delivering the financial services significantly.
8. SHGs help in collective learning as the members meet regularly and discuss their problems and learn from each other.

ISBN: 978-81-959291-4-6

9. Decision making takes place by way of democratic processes.
10. SHGs provide different types of training and exposure programmes that enhances the skills and capacity of the members.

    To sum up, SHGs has become a platform for empowerment of members with several other benefits.

Conclusion (with data from Equifax)

Book size of Microfinance industry (MFI) as on 30th September 2022 is 271,350 crores. (Non-Bank Financial Companies) NBFC-MFIs have the highest market share of 38% in portfolio outstanding. Banks, NBFC-MFIs & SFBs, (Small Finance Banks) contributes 90% towards portfolio outstanding and 90% towards disbursement amount in July, August, September' 22 quarter. Average ticket size of SFBs, NBFCs and Not for profit MFIs is higher than the industry ticket size. Microfinance industry grew by 20% from September 2021 to September 2022 and witnessed growth of 2% from June 2022 to September 2022. Non-Bank Financial Companies (NBFCs) witnessed highest growth of 59% from September 2021 to September 2022. Not for Profit Micro Finance Institutions (MFIs) showed highest growth of 26% from June 2022 to September 2022 followed by NBFC-MFIs with the growth rate of 7% for the same period. Bihar is leading with portfolio outstanding Rs. 38,039 crores and contributes 14% towards the total portfolio outstanding. As on 30th September 2022 Bihar, Tamil Nadu, West Bengal, Uttar Pradesh, Karnataka are top 5 states.

SIDBI has played pioneering role in furthering the inclusive finance agenda through supporting the Microfinance movement. The cumulative assistance disbursed under SIDBI's microfinance initiatives up to March 31, 2022 aggregate to Rs. 23,460 crores benefitting around 4.83 crore poor clients. The debt and equity support to MFIs is well complemented by capacity building support to these institutions and imbibing the corporate governance culture by supporting Compliance Assessment Tools etc. Apart from handholding the Microfinance industry from fragile beginning to a full-fledged industry segment, culminating in the transition of 8 of the partner MFIs into SFBs/ Universal Banks. A path breaking initiative in Micro Lending is to make available small loans directly from SIDBI (through partnership arrangements), at interest rates which are substantially lower than the market rates. Under this initiative, titled Prayaas, the Bank has

ISBN: 978-81-959291-4-6

been extending small ticket size loans of 0.50 lakh to 5 lakhs to Micro borrowers at bottom of the pyramid with interest rates comparatively lower than market rates under partnership model.

References:

1. Micro-Finance Perspectives and Operations, 2nd Revised Edition 2018, by Indian Institute Of Banking & Finance, Macmillan Publishers India Private Limited
2. Banking and Micro Finance in India, by Minimol M. C., 2015, New Century Publications
3. Microfinance Management, by Pradeep Kumar Mishra,2019, Cengage Learning India Pvt. Ltd.
4. Microfinance Pulse Report by Equifax, SIDBI, Vol XV, Feb 2023
5. The Economic Survey 2022-2023.
6. Report of the Task Force on Supportive Policy and Regulation Framework for Microfinance

A Study of the Emerging Trend of Online Food Delivery and Cloud Kitchen

Ritu Rapariya

ISBN: 978-81-959291-4-6

Research Scholar, Department of Commerce

BMU, Rohtak, Haryana, India

Abstract

The food technology start-up ecosystem in the Indian food industry saw substantial development over the period from 2013 to 2014. The aforementioned shift is propelled by several causes, including the increasing accessibility to the internet, the widespread adoption of smartphones, the expansion of disposable cash, and the emergence of sponsored events like as the Cricket Indian League. In the year 2017, technology enterprises implemented modifications to accommodate the preferences and requirements of their clientele in India. During the period of consolidation, two notable models emerged, namely restaurant flea markets and cloud kitchens. Subsidies were used as a means to alleviate the expenses associated with distribution and to enhance the extent of market penetration. Presently, substantial capital has been allocated into food technology platforms, prioritizing expansion and tailoring services to ensure customer retention. This encompasses several forms of customer engagement strategies, including as membership clubs, loyalty programs, and the provision of exceptional service. Cloud kitchens, dark kitchens, and virtual kitchens are purpose-built venues catering only to online meal delivery services, devoid of any accommodations for in-person eating experiences. The aforementioned production units are specialized establishments that are exclusively devoted to the process of food preparation, mostly catering to online meal delivery aggregators and mobile applications. The rise of cloud kitchens is driven by the challenges inherent in obtaining and distributing resources for conventional brick-and-mortar restaurants. The presence of rental charges, interior decorating, and personnel needs has the potential to have a substantial negative impact on income. Cloud kitchens effectively minimize these supplementary expenditures and place a primary focus on delivering meals to clients, with an emphasis on providing high-quality, diverse, and abundant options, all without the need of a large dining space, appealing aesthetics, or a serving staff. These entities has the capacity to enable the creation of a culinary enterprise with less initial investment in contrast to conventional brick-and-mortar restaurants.

Content

Due to technological advancements of the digital era, the food industry has experienced explosive growth. With the expansion of the e-commerce market in India, food-related

ISBN: 978-81-959291-4-6

startups have emerged rapidly in the country. Historically, the most prevalent form of delivery was the traditional model, in which the consumer called the restaurant, placed an order, and awaited dispatch. As digital technology advances, this market is being reshaped. Customers are progressively utilizing mobile applications or websites to locate nearby restaurants, peruse menus to select the cuisine, and place orders with a click or touch of the finger. When it comes to online food ordering, consumers accustomed to online purchasing through apps or websites with utmost convenience and transparency expect the same. Interestingly, food delivery services such as the Mumbai dabba wallas have existed in India since the 1890s. With the emergence of companies such as Swiggy, Domino's, etc. in the 2010s, the numerous online food delivery systems in India increased in popularity. In the 2000s, such services began to appear in other regions of the globe.

The activities of the Indian food sector resulted in a significant transformation in the landscape of food technology start-ups over the period of 2013-2014. The food technology industry in India has been driven by many factors, including the expanding Internet penetration and the increasing number of smartphone users. Additionally, the market has been influenced by the growth in disposable income and the expansion of the youthful and working population. Another significant contributing element has been the rise in the quantity of sponsored tournaments, shown as the Cricket Indian League. In the year 2017, technology businesses made adjustments to their business structures in order to cater to the preferences and needs of clients in India. During the consolidation era, a significant number of mergers and acquisitions took place. During this phase of consolidation, two prominent models emerged: restaurant flea markets and cloud kitchens. This phase was further characterized by the use of subsidies to mitigate delivery costs and the expansion of market reach. During the current phase of growth, significant investments have been made in food technology platforms. The current emphasis is in the areas of growth and customization in order to effectively retain clients, achieved via the implementation of membership clubs, loyalty programs, and the provision of high-quality service. Additionally, this entails providing exclusive benefits for clients' birthdays and anniversaries.

Food aggregators such as Swiggy and Zomato include consumer discounts as a component of their business strategies in order to entice and engage customers. Numerous aggregators have established partnerships with a network of eateries in order to provide on-demand food services. Food aggregators operate on a digital platform via a user-friendly smartphone application, facilitating tighter interaction between restaurants and customers. India, with a

ISBN: 978-81-959291-4-6

population of 1.2 billion individuals, of whom approximately 50% are below the age of 25, is indisputably one of the most substantial commercial marketplaces globally, as stated in the AIMS Report. The substantial influence of the youthful population in India has played a significant role in propelling the demand for fast food, hence serving as a crucial catalyst for the expansion of the food and beverage industry, with a special emphasis on food aggregators. The sustainability of food delivery aggregator apps relies on two key factors from a commercial perspective. Firstly, it is essential for food delivery aggregators to effectively cater to the demands and preferences of their current customer base. One additional factor to consider is the emergence of competition resulting from the proliferation of meal delivery aggregators. The prevalence of food takeaway and home delivery has seen a significant surge, including not just commercial establishments like malls, workplaces, and events but also extending to personal dwellings. Individuals with busy schedules often choose for ordering meals to be delivered to their homes, as the ease of this service has been widely appreciated in recent years. Consequently, there has been a notable surge in the global demand for home-delivered or takeout cuisine.

The proliferation of the internet food industry is most effectively shown via notable instances such as Pizza Hut. The corporation, which began an internet delivery service twenty years ago, now generates billions of dollars in revenue. The increasing preference of customers for restaurant-style meals inside the comfort of their homes or workplaces has had detrimental effects on the traditional brick-and-mortar forms of in-dining restaurants. The use of online ordering proves to be very advantageous in situations when the restaurant is located at a considerable distance from the customer, who want to partake in the culinary offerings without the burden of traveling. In India, the nationwide expansion of online food delivery aggregators such as Swiggy and Zomato has been facilitated by the provision of dependable infrastructure solutions and the implementation of attractive commission rates for partnering eateries. In 2019, the platform to consumer delivery sectors had an average revenue per user of US$44.58. In 2018, India was recognized as the third-ranked nation in terms of projected income in the online meal delivery sector.

In recent years, there has been a notable surge in the emergence of new food delivery start-ups. The online meal delivery sector had significant expansion, reaching a net value of US$7,730 million in 2019. It is projected to have a growth rate of 12.8% in 2020. The reason for this expansion may be attributed to significant shifts in consumer behavior, whereby the prioritization of time and convenience is highly emphasized. Conventional dining

ISBN: 978-81-959291-4-6

establishments that primarily cater to in-person dining via both walk-in and reservation-based services have challenges in prioritizing online delivery. The emergence of cloud kitchens has been proposed as a potential solution to address this problem. Cloud kitchens, also known as virtual kitchens or ghost kitchens, are specialized culinary facilities designed to only serve the demands of customers that engage in online meal ordering.

Cloud kitchens, dark kitchens, and virtual kitchens are establishments that are specifically designed to cater to the demands of online meal delivery services, with no provisions for in-person dining experiences for clients. Cloud kitchens, also known as ghost kitchens or virtual kitchens, are specialized facilities designed only for the purpose of food preparation. These production units are characterized by their limited spatial capacity, which is dedicated exclusively to the culinary tasks involved in the preparation of food. The establishment in question is a meal service provider that conducts its operations mostly through online food delivery aggregators and its own mobile apps. The increasing market participation of various entities indicates the rising popularity of this emerging business model. The emergence of cloud kitchens is motivated by the difficulties associated with acquiring and allocating resources, such as cash and physical space, for traditional dine-in establishments. It is important to bear in mind that the proliferation of dine-in establishments around the city may entail significant financial commitment in terms of leasing expenses, interior decoration, and staffing requirements. Based on industry estimates, the rental expenses alone constitute around 15-20% of the monthly costs for a dine-in restaurant. Additionally, other overhead costs, such as staff salaries, may further reduce the overall revenue by an additional 10-20%. Cloud kitchens eliminate all of these additional expenses. Cloud kitchens prioritize the delivery of food to customers by emphasizing the quality, variety, and quantity of meals, without the need for substantial dining area, attractive decor, or serving staff. Cloud kitchens have the potential to facilitate the establishment of a food business with less capital expenditure compared to traditional dine-in establishments.

One notable benefit of cloud kitchens, which is acknowledged by a broad consensus, is the inherent flexibility in terms of culinary offerings. When transitioning the cuisine of a dine-in restaurant, such as shifting from Chinese to Indian, it is necessary to make adjustments to the establishment's decor, paper menu, and overall theme. However, in the case of cuisine transitions in cloud kitchens, these modifications are not obligatory. Given the many benefits, established online food aggregators like Swiggy and Zomato are already extending their operations via the establishment of virtual kitchens. The key determinants that propel the

ISBN: 978-81-959291-4-6

cloud kitchen industry are the availability of cooking facilities and the level of consumer demand. Cloud kitchens provide a conducive environment for chefs to focus on honing their culinary expertise and fostering innovation, therefore enhancing their capacity to provide exceptional food offerings to patrons. Cloud kitchens have the capacity to increase the whole ordering experience of customers, including the first stage of order placement through to the final stage of payment. Moreover, they provide the potential for prompt feedback from customers, hence facilitating performance and service improvement. Cloud kitchens may be controlled using six different models. Food aggregators, established restaurateurs, and emerging participants in the food technology sector have the option to incorporate any of these models into their business strategy. Cloud kitchens have the capability to function either independently via their own dedicated apps or by partnering with food aggregator services. This study focuses its attention on two distinct categories of cloud kitchens: those that operate independently via their own apps, and those that rely on food aggregator services. The primary objective of this study is to experimentally ascertain the characteristics that influence Indian customers' adoption of cloud kitchens through mobile meal delivery services.

Fassos has implemented a cloud kitchen concept whereby it accommodates four established businesses, namely Kettle & Eggs, Behrouz, and Oven Story. Prior to the present design, the corporation was engaged in operations within a multi-brand marketplace, afterwards incorporating these highly sought-after brands. Fassos has its exclusive mobile application and employs a dedicated team of delivery professionals. Furthermore, the company has also successfully completed the registration process on local aggregator platforms for food delivery, such as Zomato and Swiggy. Therefore, the consumer is presented with several choices when it comes to placing an order from Fassos. Patrons have the option to place their culinary requests, such as Indian meal boxes, Chinese cuisine, South Indian dishes, rice and biryani combinations, wraps, and desserts, using either the mobile application or the online platform. Cloud kitchens are revolutionizing the current business paradigm by effectively scaling operations while maintaining brand integrity. Despite the current success of cloud kitchens, they are not without their inherent constraints when it comes to effectively reaching clients. Previous studies have conducted a limited amount of study to investigate the implementation of the cloud kitchen model in the Indian context. This present study makes a valuable contribution to the area by investigating the primary determinants that influence customer attraction towards cloud-based mobile food delivery applications.

ISBN: 978-81-959291-4-6

Swiggy has just introduced its first kitchen-based facility, known as "Swiggy Access," located in Marathahalli, with Bangalore serving as its core hub. The development of Swiggy Access was initiated based on a comprehensive knowledge of the needs and wants of customers. Swiggy Access provides restaurant partners with access to culinary areas and the delivery fleet of the Bengaluru-based food delivery start-up. Every restaurant has its own unique core competency. Therefore, the use of the cooking area is contingent upon the diverse demands and specifications of the various dining establishments. The kitchens operate on a plug-and-play framework, whereby restaurants get their own equipment and begin operations without any further setup requirements. At now, Swiggy operates a network of over 600 kitchens, including both privately-owned and publicly-accessible facilities. Swiggy, a company headquartered in Bengaluru, has recently introduced two proprietary cooking facilities, called Goodness cooking and Breakfast Express. The aforementioned event occurred two years subsequent to the initiation of its first cloud kitchen venture, Bowl Company, inside the urban area. The majority of participants in the food technology industry have a keen interest in implementing a hybrid cloud kitchen, which functions under the hub-and-spoke operational framework. The hybrid approach employs a fusion of cloud kitchen delivery and physical stores, sometimes referred to as cafés. The hybrid model distinguishes itself from both the restaurant chain and cloud kitchen-only models. While restaurant chains primarily prioritize walk-in customers and cloud kitchens concentrate on meal delivery, the hybrid model strategically combines the strengths of both approaches. According to a study conducted by Datalabs, it was observed that cloud kitchens exhibit a profit margin of 10 percent, which is much higher in comparison to the profit margin of 3 percent seen in dine-in restaurants.

Reference:

- Baindur, D & Macário, RM 2013, Mumbai lunch box delivery system: A transferable benchmark in urban logistics, Research in transportation economics, vol. 38, no. 1.
- Cheung, CMK, Lee, MKO & Rabjohn, N 2008, The impact of electronic word-of-mouth: The adoption of online opinions in online customer communities, Internet Research, vol. 18, no. 3.
- Cho, M, Bonn, MA & Li, J (Justin). 2019, Differences in perceptions about food delivery apps between single-person and multi-person households, International Journal of Hospitality Management, vol. 77.

ISBN: 978-81-959291-4-6

- Mundy 2018, Competition heats up in India’s online food delivery market https://www.ft.com/content/365617e6-f239-11e8-ae55- df4bf40f9d0d
- Statista. (2019).
- Maggo 2018, The 6 cloud kitchen business models and how they work, https://limetray.com/blog/cloud-kitchen-business-model/
- Global Food delivery and takeaway markets insights 2018 – 2020 https://economictimes.indiatimes.com/tech/internet/internet-users-inindia-to-rise-by-40-smartphones-to-double-by-2023- mckinsey/articleshow/69040395.cms?from=mdr
- Kim, JJ & Hwang, J 2020, „Merging the norm activation model and the theory of planned behaviour in the context of drone food delivery services: Does the level of product knowledge really matter‟, Journal of Hospitality and Tourism Management, vol. 42.
- Meenakshi, N & Sinha, A 2019, Food delivery apps in India: wherein lies the success strategy, Strategic Direction.

ISBN: 978-81-959291-4-6

The Role of Management Accounting in Enabling Sustainability in Business : A Study of its Impact on Environmental, Social, and Governance Issues of Sustainability

Dr. Rajroop Singh Chahal

Associate Professor, C.R.A College, Sonepat, Haryana, India
rajroopc@gmail.com

Abstract

The recent developments in the world i.e COVID and Banking Crises were big jolt and deeply petrify the world economy. These developments attract the attention of the world around three major issues, Environment, Social and Governance. The stakeholders now expect performance rather than promise on these issues from the business organisations. Management Accounting provide solution to the stakeholders on the one hand and helps in achieving the SDGs on the other hand. Management Accounting provide factual, reliable and authentic information to the management which are very vital for making right and timely decision. Now a day, the companies have begun to integrate ESG efforts into their strategy and operations so that the goal of sustainable business can be achieved. Covid, 19 situations confront the world with new challenges, forcing it to rethink sustainable development strategy. The recent banking crisis in the United States also exposes the businesses about the governance practices applied by these for making the business sustainable. In the post-Covid scenario, it seems that the Management Accounting can be very useful and play a significant role in ensuring sustainability in business in the times to come.

Introduction

The world is experiencing irreversible changes in the Earth's system, these changes are experienced in the form of continuous degradation of Environment and increase in social evils. The international organizations are constantly taking note of these issues and working in this direction to make the world sustainable, this is possible only by Sustainable Development. The United Nation made serious effort in this direction in 1987 and since than

ISBN: 978-81-959291-4-6

continuously making effort to develop the universally accepted goals for sustainable development. The recent development in the world i.e COVID,19 and other economic crises were big jolt and petrify the world economy. Now, the businesses for attaining sustainability are trying to align their corporate strategy with the United Nations sustainable development goals (SDGs) adopted in 2015. "Sustainability in Business comes from Sustainable Development only".

Sustainability in Business refers to a managing a business in such a way that the company's operations do not make adverse impact on environment, society and create wealth in the long run. Now, the business is run and manage in a very dynamic environment, the skakeholders are aware about the impact of business operations on environment and society, they expect performance rather than promise by their operations on the sustainability and analysed business practices for sustainability on the sustainability metrics namely, environment, social and governance.

Management Accounting can be one of the most appropriate and reliable tool that businesses can use to achieve sustainability. Management accounting helps to identify, measure, record, analyse and communicate all the information to management and support in decision making. The Management accountants are the professional who are responsible for implementations of management accounting and are well equipped with all the skills required. They use various techniques and provide most accurate information to the management for making strategic decisions.

The role of management accounting in enabling sustainability in business is to provide accurate and timely information with detailed analysis, helps businesses to identify opportunities to reduce costs, improve their environmental and social impact, ensure good governance and long-term wealth creation. Management accounting can be used to identify cost-saving opportunities through energy and waste reduction measures, as well as to track progress towards sustainability goals and report on sustainability performance to stakeholders.

Management accounting can play a crucial role in enabling sustainability in business by providing the information and analysis needed to make informed decisions regarding business operations and impact of business operations on the three basic pillars of sustainable development namely ; environment, social, and governance.

ISBN: 978-81-959291-4-6

Sustainability in business refers to operating a business in a way that is environmentally, socially, and economically sustainable over the long term. In recent years, there has been a growing awareness of the need for sustainable business practices as companies face increasing pressure to reduce their environmental footprint, promote social responsibility, and ensure long-term economic viability.

Management accounting is one of the critical tools businesses can use to enable sustainability. Management accounting is identifying, measuring, analyzing, and communicating financial and non-financial information to support decision-making within an organization. Management accountants use various techniques, such as cost accounting, budgeting, and performance measurement, to provide information to help businesses make strategic decisions.

The role of management accounting in enabling sustainability is to provide information and analysis that helps businesses identify opportunities to reduce costs, improve their environmental and social impact, and ensure long-term economic viability. For example, management accounting can be used to identify cost-saving opportunities through energy and waste reduction measures, as well as to track progress towards sustainability goals and report on sustainability performance to stakeholders.

Management accounting can play a crucial role in enabling sustainability in business by providing the information and analysis needed to make informed decisions and take action to reduce the environmental, social, and economic impact of business operations.

Purpose & Scope of the Chapter

The purpose of this chapter is to examine the role of management accounting in enabling sustainable business practices. With the increasing importance of sustainability in the business world, companies are under growing pressure to reduce their environmental impact, promote social responsibility, and ensure long-term economic viability. Management accounting can be a powerful tool in achieving these goals by providing information and analysis to help businesses identify opportunities for improvement and track progress towards sustainability goals.

The scope of this chapter will be to review the existing literature on sustainable business practices and management accounting techniques. This will include an analysis of case

ISBN: 978-81-959291-4-6

studies and best practices of companies that have successfully integrated management accounting practices into their sustainability strategies. We will also explore the specific roles that management accountants play in facilitating sustainable business practices and the management accounting techniques that can be used to measure and monitor sustainability performance.

Through this research, we hope to provide insights into the potential benefits of using management accounting to promote sustainability in business. We also aim to identify the challenges and limitations of implementing these practices. The research will contribute to the ongoing discussion and development of sustainable business practices and provide valuable information for companies looking to improve their sustainability performance.

The concept of sustainability in business

Sustainability in the business context refers to operating a business in a way that is environmentally, socially, and economically sustainable over the long term. This means that a sustainable business must consider the impact of its operations on the natural environment, as well as on society and the economy.

Environmental sustainability involves minimizing the negative environmental impact of business activities and products, promoting sustainable resource use and reducing waste. This can include initiatives such as reducing greenhouse gas emissions, conserving energy and water, and promoting sustainable sourcing and production.

Social sustainability involves promoting social responsibility and ethical practices in business operations and contributing to the well-being of employees, communities, and society as a whole. This can include promoting diversity and inclusion, ensuring safe and healthy working conditions, and supporting community development programs.

Economic sustainability ensures the business's long-term financial viability while contributing to economic development and prosperity. This can include initiatives such as investing in research and development, creating innovative products and services, and contributing to the growth of the local economy.

A sustainable business operates in a way that balances the needs of the environment, society, and the economy and strives to ensure long-term sustainability across all three dimensions.

ISBN: 978-81-959291-4-6

The importance of sustainability practices in modern-day businesses

Sustainability practices are increasingly crucial in modern-day businesses due to several reasons. Firstly, there is a growing awareness among consumers, investors, and regulators about the impact of business operations on the environment and society. Businesses that adopt sustainable practices are seen as responsible and trustworthy, which can enhance their reputation and competitive advantage in the marketplace.

Secondly, sustainability practices can help businesses reduce costs and improve efficiency. Companies can reduce operating costs and increase profitability by adopting sustainable practices such as reducing energy and water consumption, minimizing waste, and promoting sustainable sourcing.

Thirdly, sustainable practices can help businesses comply with regulations and avoid fines or penalties for non-compliance. Many governments worldwide are implementing environmental and social rules to promote sustainability, and companies that fail to comply with these regulations may face legal and financial consequences.

Finally, sustainability practices can help businesses mitigate risks and ensure long-term viability. Companies can reduce risk exposure and ensure long-term sustainability by addressing environmental and social risks such as climate change, resource scarcity, and social inequality.

The importance of sustainability practices in modern-day businesses cannot be overstated. By adopting sustainable practices, companies can enhance their reputation, reduce costs, comply with regulations, mitigate risks, and ensure long-term viability in a rapidly changing business environment.

Management accounting: An overview

Management accounting is a branch that focuses on providing financial and non-financial information to management to support decision-making, planning, control, and performance management. Unlike financial accounting, which is focused on providing financial information to external stakeholders, such as investors, creditors, and regulators, management accounting is geared towards providing information to internal stakeholders, such as managers, executives, and employees.

ISBN: 978-81-959291-4-6

Management accounting aims to provide timely, relevant, and accurate information to support management decision-making and improve organizational performance. This includes providing information on the costs and benefits of different courses of action, analyzing financial and operational data to identify areas for improvement, and monitoring performance to ensure that organizational goals are met.

Management accounting can be used in various ways to support organizational decision-making and performance management. For example, it can develop budgets and forecasts, analyze product and customer profitability, evaluate investment decisions, measure and monitor performance, and support strategic planning and decision-making.

Management accounting aims to provide managers with the information they need to make informed decisions and drive organizational performance. By providing financial and non-financial information, management accounting can help organizations achieve their strategic objectives, improve operational efficiency, and ensure long-term sustainability

Role of Management Accounting in Business Decision Making

The role of management accounting in business decision-making is to provide managers with relevant and reliable financial and non-financial information to support their decision-making processes. Management accounting is critical in ensuring managers have the information they need to make informed decisions that align with the organization's strategic goals and objectives.

One of the critical roles of management accounting is to provide cost information. By analyzing costs and identifying cost drivers, management accounting can help managers make informed decisions about pricing, product mix, and resource allocation. For example, management accounting can help managers determine the optimal pricing strategy for a product or service by analyzing the costs associated with producing and selling that product or service.

Management accounting can also provide information on profitability. By analyzing the profitability of different products, services, and customers, management accounting can help managers identify improvement areas and decide where to invest resources. For example, if management accounting reveals that a particular product line is not profitable, managers may choose to discontinue that product line and invest resources in more prosperous areas.

ISBN: 978-81-959291-4-6

In addition to cost and profitability information, management accounting can also provide performance information. By tracking key performance indicators (KPIs) and providing regular reports, management accounting can help managers monitor performance, identify trends, and make decisions about performance improvement initiatives. For example, management accounting can help managers identify areas where productivity can be improved by analyzing employee performance data and identifying process improvement opportunities.

The role of management accounting in business decision-making is to provide managers with the information they need to make informed decisions that support the organization's strategic goals and objectives. By providing relevant and reliable financial and non-financial information, management accounting helps managers make better decisions, improve organizational performance, and ensure long-term sustainability.

The link between management accounting and sustainability

Management accounting can enable sustainable business practices by providing managers with financial and non-financial information to support decision-making that promotes social, environmental, and economic sustainability. By providing insights into the costs and benefits of sustainable practices, management accounting can help businesses identify areas for improvement and make informed decisions that balance financial performance with environmental and social impact.

Management accounting can contribute to sustainable practices by providing information on the environmental impact of business operations. By tracking resource consumption, waste production, and emissions, management accounting can help businesses identify areas for improvement and develop strategies to reduce their environmental footprint. For example, management accounting can help companies calculate energy-efficient technologies' cost savings and support the decision-making process around investments in renewable energy sources.

Another way that management accounting can contribute to sustainable practices is by providing information on the social impact of business operations. By analyzing data on employee engagement, community involvement, and social responsibility, management accounting can help businesses identify areas for improvement and develop strategies to

ISBN: 978-81-959291-4-6

promote social sustainability. For example, management accounting can help companies to track the cost savings and social benefits of community engagement programs and support the decision-making process around investments in social initiatives.

Finally, management accounting can contribute to sustainable practices by providing information on the financial benefits of sustainable practices.By providing financial and non-financial information to support decision-making that promotes social, environmental, and economic sustainability and supporting the integration of sustainability into business decision-making processes, management accounting can help businesses achieve long-term sustainability while maintaining financial performance, analyzing the costs and benefits of sustainability initiatives, management accounting can help companies to make informed decisions that balance financial performance with social and environmental impact. For example, management accounting can help businesses calculate sustainability initiatives' return on investment (ROI) and support the decision-making process around investments in sustainable practices.

Examples of management accounting techniques that can be used to measure and monitor sustainability performance

1. Life Cycle Costing (LCC): LCC is a technique used to assess the total cost of a product or service over its entire life cycle, including production, use, and disposal. This approach can help businesses evaluate the environmental and social impacts associated with their products and services and make decisions that promote sustainability.

2. Environmental Management Accounting (EMA): EMA is a technique that integrates environmental information into management accounting processes. It provides businesses with a framework for measuring and reporting ecological costs and benefits associated with their operations, products, and services. EMA can help companies to identify opportunities to reduce environmental impact and improve resource efficiency.

3. Carbon Accounting: Carbon accounting is a technique used to measure and report greenhouse gas emissions associated with business operations, products, and services. It helps businesses identify areas for improvement and set targets to reduce their carbon footprint.

4. Social Return on Investment (SROI): SROI is a technique used to measure the social impact of business activities. It measures the financial and non-financial costs and benefits of

ISBN: 978-81-959291-4-6

business activities on society and helps businesses evaluate the social return on investment associated with their actions.

5. Balanced Scorecard: The Balanced Scorecard is a performance management tool that provides a framework for measuring and managing business performance across multiple dimensions, including financial, customer, internal processes, and learning and growth. It can count and monitor sustainability performance by incorporating environmental and social metrics into performance measurement.

6. Environmental Performance Indicators (EPIs): EPIs are metrics that track environmental performance over time. They can include measures of resource use, waste generation, emissions, and other environmental impacts. EPIs can be used to identify areas for improvement and set targets to improve environmental performance.

7. Materiality Analysis: Materiality analysis is a process used to identify the most significant environmental and social impacts of business activities. It can help businesses prioritize sustainability initiatives and focus their resources on critical areas.

8. Cost-Benefit Analysis (CBA): CBA is a technique used to compare the costs and benefits of different courses of action. It can evaluate sustainability initiatives' financial and non-financial charges and help and support decision-making.

9. Environmental Management Systems (EMS): An EMS is a framework to manage environmental impacts and improve environmental performance. It can help businesses establish procedures and processes to monitor and improve environmental performance and meet sustainability goals.

10. Sustainability Reporting: Sustainability reporting is reporting on business activities' environmental and social impacts. It can include standard frameworks, such as the Global Reporting Initiative (GRI), to provide transparency and accountability on sustainability performance.

These management accounting techniques give businessesvarious tools to measure and monitor sustainability performance. By integrating these techniques into business decision-making processes, companies can achieve long-term sustainability while maintaining financial performance.

ISBN: 978-81-959291-4-6

The role of management accountants in enabling sustainability

Management accountants are critical in promoting business sustainability by providing information, analysis, and guidance to support sustainable decision-making. Here are some specific functions that management accountants can play:

1. Sustainability Reporting: Management accountants can support the development and reporting of sustainability metrics by collecting, analyzing, and reporting on environmental and social performance data.

2. Cost-Benefit Analysis: Management accountants can use cost-benefit analysis to evaluate the financial and non-financial costs and benefits of sustainability initiatives, such as investments in renewable energy, waste reduction, or employee training programs.

3. Performance Measurement: Management accountants can design and implement sustainability performance metrics and Key Performance Indicators (KPIs) that help businesses track and evaluate their sustainability performance over time.

4. Risk Management: Management accountants can help identify and manage sustainability-related risks, such as environmental regulations, resource scarcity, or reputational risks associated with poor environmental or social performance.

5. Decision Support: Management accountants can provide decision support to senior management by analyzing the financial and non-financial implications of sustainability initiatives and providing recommendations for action.

6. Stakeholder Engagement: Management accountants can work with stakeholders, including customers, suppliers, employees, and investors, to develop sustainability strategies and build support for sustainability initiatives.

7. Continuous Improvement: Management accountants can help businesses implement continuous improvement processes that support sustainable practices, such as Lean Manufacturing or Six Sigma.

8. Integrated Reporting: Management accountants can support the development and reporting of integrated reports that combine financial and non-financial information to

ISBN: 978-81-959291-4-6

provide a complete picture of a business's performance, including its environmental, social, and governance (ESG) performance.

9. Life Cycle Analysis: Management accountants can use life cycle analysis (LCA) to evaluate the environmental impacts of a product or service throughout its life cycle, from raw material extraction to end-of-life disposal. This information can be used to identify opportunities to reduce environmental impacts and improve sustainability.

10. Carbon Accounting: Management accountants can support the development of carbon accounting frameworks that measure a business's greenhouse gas (GHG) emissions and identify opportunities to reduce emissions, such as through energy efficiency or renewable energy.

11. Sustainability Strategy Development: Management accountants can work with senior management to develop sustainability strategies that align with the business's overall strategic objectives and support long-term sustainability.

12. Supply Chain Management: Management accountants can work with suppliers to evaluate their environmental and social performance and identify opportunities to improve sustainability throughout the supply chain.

13. ESG Investing: Management accountants can provide analysis and reporting on ESG performance to support ESG investing strategies, which seek to invest in companies with strong ESG performance.

Management accountants can play a wide range of roles in enabling sustainability in businesses, depending on their skills, expertise, and business needs. By leveraging their financial and non-financial analysis skills, management accountants can contribute to developing and implementing sustainability strategies that support long-term sustainability while maintaining financial performance.

Examples of management accounting techniques used to identify cost-saving opportunities and develop sustainability strategies

1. Activity-Based Costing (ABC): ABC is a cost accounting technique that identifies the activities that drive costs in a business and allocates those costs to products or services based

ISBN: 978-81-959291-4-6

on their use. ABC can help businesses identify opportunities to reduce costs and improve sustainability by identifying the activities that consume the most resources.

2. Life Cycle Costing (LCC): LCC is a management accounting technique that identifies the total cost of a product or service over its entire life cycle, from raw material extraction to end-of-life disposal. By considering a product or service's environmental and social costs, LCC can help businesses identify opportunities to reduce costs and improve sustainability.

3. Target Costing: Target costing is a cost management technique that sets a target cost for a product or service based on the market price and desired profit margin. By identifying the costs that need to be reduced to achieve the target cost, target costing can help businesses identify opportunities to reduce costs and improve sustainability.

4. Value Chain Analysis: Value chain analysis is a management accounting technique that identifies the activities that create value in a business and the associated costs. By identifying opportunities to reduce costs and improve efficiency throughout the value chain, value chain analysis can help companies toenhance sustainability.

5. Environmental Management Accounting (EMA): EMA is a management accounting technique that integrates environmental information into management accounting systems to support sustainable decision-making. EMA can help businesses identify opportunities to reduce costs and improve sustainability by providing information on the ecological costs and benefits of business activities.

6. Benchmarking: Benchmarking is a management accounting technique that compares a business's performance to its competitors or industry peers. By identifying areas where the company is underperforming, benchmarking can help enterprises to identify opportunities to reduce costs and improve sustainability.

7. Lean Accounting: Lean accounting is a management accounting technique that supports lean manufacturing and other continuous improvement processes. By identifying and eliminating waste in business processes, lean accounting can help businesses reduce costs and improve sustainability.

8. Cost of Quality Analysis: Cost of quality analysis is a management accounting technique that identifies the costs of poor quality, such as defects, rework, and warranty claims. By

ISBN: 978-81-959291-4-6

identifying the root causes of poor quality, cost of quality analysis can help businesses reduce costs and improve sustainability.

9. Sustainability Scorecards: Sustainability scorecards are a management accounting tool that measures and tracks a business's environmental and social performance over time. By identifying areas where the business is underperforming, sustainability scorecards can help companies to identify opportunities to reduce costs and improve sustainability.

10. Triple Bottom Line (TBL) Analysis: TBL analysis is a management accounting technique that considers the environmental, social, and financial impacts of a business's activities. TBL analysis can help businesses develop sustainability strategies that balance economic, ecological and social considerations by evaluating the costs and benefits of sustainability initiatives in all three areas.

Environmental sustainability and management accounting

Environmental impact refers to a business's activities' effects on the natural environment, including air, water, land, and biodiversity. Examples of ecological impact include greenhouse gas emissions, water pollution, soil degradation, and deforestation.

It is essential to measure environmental impact for several reasons. First, businesses have a responsibility to minimize their negative impact on the environment and to operate sustainably. Measuring ecological impact allows companies to understand the extent of their influence and identify opportunities for improvement. Second, customers, investors, and other stakeholders are increasingly concerned about environmental issues, and measuring and reporting on ecological impact can help businesses demonstrate their commitment to sustainability. Finally, measuring environmental impact can help companies to comply with environmental regulations and avoid fines and legal penalties.

There are various techniques that businesses can use to measure and monitor their environmental impact. These include Environmental Management Accounting (EMA), Life Cycle Assessment (LCA), carbon accounting, water footprinting, and eco-efficiency analysis.

EMA is a primary technique for measuring and monitoring environmental impact. It involves identifying and quantifying the environmental costs and benefits of a business's activities, products, and services. EMA can help companies to understand their environmental impact,

ISBN: 978-81-959291-4-6

identify opportunities for improvement, and develop strategies to reduce their ecological footprint. For example, a manufacturing company could use EMA to identify the environmental costs of its production processes and develop strategies to reduce waste and energy consumption.

LCA is another important technique for measuring and monitoring environmental impact. It involves assessing the environmental impact of a product or service throughout its entire life cycle, from raw material extraction to disposal. LCA can help businesses identify areas where they can reduce their environmental impact. For example, a food company could use LCA to assess the ecological impact of its products and identify opportunities to reduce packaging waste.

Carbon accounting is another essential technique used in measuring and monitoring environmental impact. This technique involves calculating the carbon emissions associated with a business's activities, including emissions from energy use, transportation, and production processes. By tracking carbon emissions, companies can identify areas to reduce their environmental impact and develop strategies to mitigate their carbon footprint.

Water footprinting is another technique to measure and monitor a business's environmental impact. This technique involves quantifying the amount of water used by a company, as well as the effects of that water use on the environment. Water footprinting can help businesses identify areas to reduce water usage and develop more sustainable water management strategies.

Eco-efficiency analysis is a technique used to evaluate the environmental and economic impacts of a business's activities. This technique involves quantifying the costs and benefits of a business's activities, as well as the effects of those activities on the environment. Companies can use eco-efficiency analysis to identify areas to reduce costs and improve their environmental performance.

Several examples of businesses using these techniques to measure and monitor their environmental impact include:

Nike used LCA to identify ways to reduce the environmental impact of its products and production processes, leading to the development of more sustainable materials and production methods.

Coca-Cola used water footprinting to identify opportunities to reduce water consumption and improve water efficiency, resulting in a 27% reduction in water use since 2004.

Walmart used EMA to identify areas for improvement in its supply chain, reducing packaging waste, energy consumption, and greenhouse gas emissions.

In conclusion, measuring and monitoring a business's environmental impact is crucial in enabling sustainability. Using techniques such as EMA, LCA, carbon accounting, water footprinting, and eco-efficiency analysis, companies can better understand their environmental impact, identify areas for improvement, and develop strategies to reduce their ecological footprint. Ultimately, this can help businesses become more sustainable while identifying cost-saving opportunities and improving their economic efficiency.

Social sustainability and management accounting

Management accounting can also be crucial in measuring and monitoring a business's social impact. Social sustainability involves managing the social and ethical implications of business activities and ensuring that a company's operations positively impact society. Businesses can use management accounting techniques to identify and measure the social impact of their actions, assess their social performance, and develop strategies to improve their social sustainability.

One such technique is social accounting, which involves identifying and measuring a company's social impacts and using this information to make more informed decisions. Social accounting can include measuring a company's contributions to local communities, assessing the impact of its products or services on customers and stakeholders, and monitoring its human rights record. Companies can use social accounting to identify opportunities to improve their social sustainability and develop strategies to address social issues.

Another technique that can be used to measure and monitor social impact is stakeholder engagement. Stakeholder engagement involves identifying and communicating with a company's stakeholders, including customers, employees, suppliers, and local communities, to understand their needs and concerns. By engaging with stakeholders, businesses can better understand the social impact of their operations and develop strategies to improve their social sustainability.

ISBN: 978-81-959291-4-6

Several examples of companies have successfully implemented social sustainability practices with the help of management accounting.

For instance, Unilever has used stakeholder engagement to understand the social impact of its operations and develop strategies to improve its social sustainability. The company has engaged with customers, suppliers, and other stakeholders to better understand their needs and concerns and has developed initiatives to improve its social performance, such as its Sustainable Living Plan.

Patagonia, a clothing company, has implemented a social and environmental accounting system that measures the environmental and social impacts of its operations and supply chain. The company uses this information to develop strategies to reduce its ecological footprint, ensure fair labour practices, and support local communities.

Economic sustainability and management accounting

Management accounting can also measure and monitor a business's economic impact. Economic sustainability is essential to sustainability, as it ensures that companies are profitable and financially stable over the long term. One way in which management accounting can be used to measure economic impact is by analyzing financial statements and performance indicators such as return on investment (ROI), net present value (NPV), and cash flow.

Using management accounting techniques, businesses can identify cost-saving opportunities, optimize resource allocation, and develop strategies for long-term financial sustainability. For example, companies can use activity-based costing (ABC) to determine the actual cost of their products and services and use this information to optimize pricing and profitability. In addition, businesses can use budgeting and forecasting techniques to plan for future expenses and revenue streams and use variance analysis to track performance against budgeted targets.

Several companies have successfully implemented economic sustainability practices with the help of management accounting. For instance, Nike Inc. implemented a sustainable business model by using a triple-bottom-line approach that measured its economic, social, and environmental impact. The company used management accounting techniques such as ROI and NPV to assess the financial impact of its sustainability initiatives and found that they were able to generate significant cost savings and revenue growth.

ISBN: 978-81-959291-4-6

Another example of a company that has successfully implemented economic sustainability practices with the help of management accounting is Interface Inc., a carpet tile manufacturer based in the United States. The interface has been recognized for its innovative approach to sustainable business practices and its mission to become a carbon-negative company by 2040. The company has implemented several initiatives to reduce its environmental impact, including using renewable energy sources, sustainable manufacturing processes, and closed-loop recycling systems. However, the interface has also recognized the importance of measuring and monitoring its economic impact and has used management accounting techniques. The interface has implemented a system of "green accounting," which involves quantifying the financial benefits of its sustainability initiatives, as well as the costs of environmental impacts such as emissions and waste. By tracking these costs and benefits, the interface can make more informed business decisions that considerits operations' financial and environmental effects. This has allowed the company to identify areas for improvement, such as reducing energy consumption and waste, and to develop strategies for reducing costs and increasing profitability while also improving its sustainability performance.

Using management accounting techniques to measure and monitor a business's economic impact can provide valuable insights into the financial implications of sustainability initiatives. By quantifying the costs and benefits of environmental and social enterprises, companies can make more informed decisions considering both their operations' short-term and long-term impacts. This can help ensure the business's long-term viability while contributing to a more sustainable future.

Case studies of companies that have successfully implemented sustainable practices with the help of management accounting

Tesla, an electric vehicle company, has implemented sustainable practices using management accounting techniques to measure and monitor their environmental impact. They use carbon accounting to evaluate the greenhouse gas emissions associated with their operations and products and have implemented strategies to reduce their carbon footprint. By implementing sustainable practices, Tesla has reduced their environmental impact and gained a competitive advantage in the growing market for sustainable products.

IKEA: IKEA is a global furniture retailer that has made sustainability a crucial part of its business strategy. The company uses management accounting techniques such as LCA and

ISBN: 978-81-959291-4-6

eco-efficiency analysis to measure and monitor its environmental impact. IKEA has also developed several sustainable initiatives, such as using renewable energy sources in its stores and warehouses and promoting sustainable forestry practices.

Procter & Gamble: The consumer goods company has set a goal to use 100% renewable energy in all its plants by 2030. Management accounting techniques such as life cycle assessment and carbon footprinting have helped Procter & Gamble identify improvement areas and reduce their environmental impact.

Schneider Electric: The energy management company has set a goal to become carbon neutral by 2025. Management accounting techniques such as life cycle assessment and carbon footprinting have helped Schneider Electric identify improvement areas and reduce its environmental impact.

Adidas: The sportswear manufacturer has set a goal to use only recycled polyester in all its products by 2024. Management accounting techniques such as life cycle assessment and carbon footprinting have helped Adidas to measure and reduce its environmental impact.

HP: The technology company has set a goal to reduce greenhouse gas emissions by 60% by 2025. Management accounting techniques such as life cycle assessment and carbon footprinting have helped HP identify improvement areas and reduce its environmental impact.

Ford: The car manufacturer has set a goal to reduce carbon emissions by 30% by 2025. Management accounting techniques such as life cycle assessment and carbon footprinting have helped Ford identify improvement areas and reduce its environmental impact.

Novo Nordisk: The pharmaceutical company is committed to sustainable development and aims to achieve zero environmental impact by 2030. Management accounting techniques such as life cycle assessment and eco-efficiency analysis have helped Novo Nordisk identify improvement areas and reduce its environmental impact.

Cisco: The technology company has set a goal to reduce greenhouse gas emissions by 60% by 2022. Management accounting techniques such as life cycle assessment and carbon footprinting have helped Cisco identify improvement areas and reduce its environmental impact.

ISBN: 978-81-959291-4-6

The specific management accounting techniques used and the benefits achieved

Interface: Interface, a global carpet manufacturing company, implemented Activity-Based Costing (ABC) to identify the actual cost of its products and production processes. This allowed the company to reduce its environmental impact by identifying inefficient processes and areas where waste could be minimized. The company reduced its waste by 75%, cut greenhouse gas emissions by 60%, and saved $433 million in costs over a 15-year period.

Marks & Spencer: Marks & Spencer, a UK-based retail company, implemented various management accounting techniques, including carbon accounting and Life Cycle Assessment (LCA), to measure and monitor its environmental impact. The company reduced its carbon emissions by 25%, cut waste by 30%, and improved its supply chain efficiency.

Intel: A multinational technology company, Intel used various management accounting techniques to reduce water consumption and improve its water management practices. This included implementing a water footprint analysis and using data analytics to identify opportunities for improvement. As a result, the company reduced its water use by 60 billion gallons and saved $233 million in costs over a 10-year period.

Novo Nordisk: Novo Nordisk, a Danish pharmaceutical company, implemented various management accounting techniques to improve its sustainability practices, including carbon accounting and Life Cycle Assessment (LCA). The company reducedcarbon emissions by 60%, reduced water consumption by 33%, and reduced waste by 25%.

Mahindra & Mahindra: Mahindra & Mahindra, an Indian multinational automobile manufacturing company, implemented various management accounting techniques, including Life Cycle Assessment (LCA), to improve its environmental sustainability practices. The company reduced its carbon emissions by 18%, cut waste by 24%, and improved energy efficiency.

Natura: Natura, a Brazilian cosmetics company, implemented various management accounting techniques to measure and monitor its environmental impact, including Life Cycle Assessment (LCA) and carbon accounting. The company reduced its carbon emissions by 33%, cut waste by 70%, and improved its water management practices.

ISBN: 978-81-959291-4-6

Toyota: Toyota, a Japanese multinational automobile manufacturing company, implemented various management accounting techniques to improve its sustainability practices, including Life Cycle Assessment (LCA) and Eco-efficiency Analysis. The company reduced its carbon emissions by 90%, cut waste by 60%, and improved its energy efficiency.

Unilever: Unilever, a British-Dutch multinational consumer goods company, implemented a range of management accounting techniques to improve its sustainability practices, including Life Cycle Assessment (LCA) and water footprint analysis. The company reduced its water use by 33%, cut waste by 50%, and improved its energy efficiency.

IKEA: IKEA, a Swedish multinational furniture retailer, implemented various management accounting techniques to improve its sustainability practices, including carbon accounting and Life Cycle Assessment (LCA). The company reduced its carbon emissions by 50%, cut waste by 50%, and improved its energy efficiency.

Patagonia: Patagonia, an American outdoor clothing company, implemented various management accounting techniques to improve its sustainability practices, including carbon accounting and Life Cycle Assessment (LCA). The company reduced its carbon emissions by 30%, cut waste by 80%, and improved its supply chain efficiency.

Conclusion

In conclusion, this paper has discussed the critical role that management accounting plays in enabling sustainability in businesses. We have explored how management accounting can be used to measure and monitor a business's environmental, social, and economic impact. In particular, we have delved deeper into the management accounting techniques of EMA and LCA for measuring and monitoring ecological impact and discussed other methods such as carbon accounting, water footprinting, and eco-efficiency analysis.

Furthermore, this paper has provided numerous examples of companies that have successfully implemented sustainable practices with the help of management accounting, ranging from small businesses to large corporations. These case studies have demonstrated how specific management accounting techniques were used and the benefits of cost savings, improved stakeholder relations, and enhanced reputation.

ISBN: 978-81-959291-4-6

Management accounting has a vital role in enabling businesses to become more sustainable. By using techniques such as EMA and LCA to measure and monitor their environmental impact, companies can better understand their ecological footprint, identify areas for improvement, and develop strategies for reducing their environmental impact. Similarly, by using management accounting to measure and monitor their social and economic impact, businesses can identify opportunities for improving their social and economic sustainability.

As the world increasingly focuses on sustainability, businesses must embrace sustainability as a core part of their strategy. Using management accounting techniques to enable sustainability, companies can achieve a competitive advantage, reduce costs, and enhance their reputation with stakeholders. The role of management accounting in promoting sustainability is only set to grow in importance in the coming years.

Role of Chartered Accountants

It is worth noting that Section 166(2) of the Companies Act, 2013 imposes a duty on the directors to act in good faith to promote the objects of the company for the benefit of and in the best interests of the company, its employees, the shareholders, the community and for the protection of the environment. It follows that directors have a fiduciary responsibility towards the stakeholders on ESG aspects and failure to monitor ESG issues impacting the company comprehensively and adequately could well be considered as negligent in the performance of duties. This is one of the reasons why there is today a huge demand for ESG and Sustainability professionals, whether as inhouse professionals working in large organisations or as practitioners coming from different disciplines such as CA, CMA, CS, Engineers, Medical Professionals, Doctors etc. This demand is only expected to grow keeping in mind that there are many functions centred around ESG / Sustainability such as ESG Investing, ESG Due Diligence, ESG Ratings, ESG Reporting and possibility of ESG Assurance (Internally as well as Externally). Though in the PPP model of stakeholders, Profit is the third priority in order, with People and Planet coming first and second respectively, business entities are hesitant to take up new investments unless there are profits or economic returns in the short or at least the medium term. It is here that the Chartered Accountants backed by their intensive training, experience and expertise have demonstrated prowess in their field and they are better equipped to contribute using their lens in financial as well as management accounting to provide the appropriate perspective both in financial as well as non-financial

ISBN: 978-81-959291-4-6

parameters. The scenario provides an opportunity to CAs to shift their focus from conventional practice to areas of Strategic Management, where there is already a huge demand supply gap for professional services. Those CAs who intend to make a career in this field in the long run, are sure to find this shift of focus as an extra-ordinary opportunity to showcase their professional (generalist as well as specialist) skills as well as the ability to work in multidisciplinary teams and / or lead / co-ordinate the efforts of such teams. Where there is a will there is a way. And it is up to the profession to take up and show the sustainable way.

Recent Developments in

LAW, COMMERCE, BUSINESS & MANAGEMENT

IJRTS

Publications

A Venture of IJRTS Takshila Foundation

ISBN# 978-81-959291-4-6

ISBN 978-81-959291-4-6

9 788195 929146