

## RAMNATH GULZARILAL KEDIA COLLEGE OF COMMERCE

Taradevi Girdharilal Sanghi  
School of Business Management.

Bhagwatibai Jagdish Pershad  
Agarwal PG College of  
Computer Applications.

MSS Law College

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## EDITORIAL

### INDIA AS A GLOBAL LEADER

India is the fastest growing economy in the world at present. Our Growth rate has surpassed that of People's Republic of China. However the world monetary scenario is presently gloomy. In 2015, China carried out the biggest devaluation of its currency RENMINBI in two decades to boost its slowing economy, marking an escalation of international currency wars and risking a political clash with Washington. The 1.9 per cent downward move was its biggest one-day change since 1993 — and since China abandoned its tight currency peg for a managed float in 2005. It pushed the RENMINBI to Rmb6.2298 against the dollar (\$), compared with a Rmb6.1162 rate the day before. Similar moves for devaluation were also considered for Dollar and Euro. In a referendum on 23 June 2016, British population has voted in favor of BREXIT.

Indian Rupee is also falling in value. However India has vast Foreign Exchange (Forex) reserves exceeding \$365 Billion and also huge reserves of gold. Indian economy was not much affected due to the world recession because India has a robust agricultural sector. Hence the Reserve Bank of India has ruled out considering devaluation as an option even though it is well known that devaluation will encourage exports and discourage imports. The topmost priority today is achieving growth.

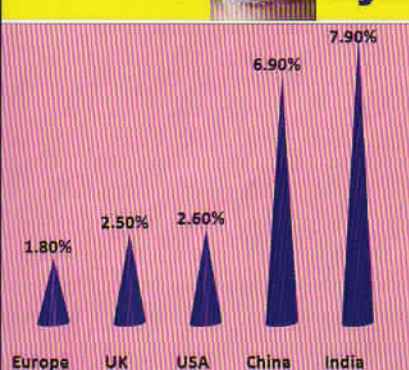
The Chief Economic Advisor Shri Arvind Subramanian's earlier prediction of accelerated growth did not materialize as public investment failed to rekindle animal spirits gone dormant due to policy paralysis in earlier years. In fact Dr. Raghuram Rajan, Governor, RBI had reduced the growth projection well before the end of the fiscal year. In order to achieve macroeconomic stability and effective growth, integration of fiscal and monetary policies is essential. The Government of India has announced sharp cuts in interest earned on a range of state-run savings schemes including Public Provident Fund (PPF), Kisan Vikas Patra (KVP) and Senior Citizen Savings Scheme (SCSS). Earlier the rate was slashed on Employees Provident Fund (EPF). Lower earnings on these schemes would encourage households to shuffle their savings portfolios. However these measures are insufficient. The challenge today is to use the reserves for development.

The recommendations of the Seventh Pay Commission will benefit 48 lakh central Government employees and 52 lakh pensioners including dependents. Inflation may be caused especially in view of the increased outflow on account of implementation of the recommendations. Inflation erodes the standard of living of ordinary people. That must be effectively contained. For that purpose, the Non-Performing Assets (NPA's) of banks should channelize into productive ventures. Subsidies should be controlled stringently. A subsidy as a form of financial aid or support should be extended to any economic sector (or institution, business, or individual) only with the aim of promoting economic and social policy. Whether subsidies are positive or negative could be a normative judgment. However as a form of economic intervention, subsidies are inherently contrary to the market demands as these are used as tools of political and corporate cronyism. Hence there is always a pressure on the Government to grant more and newer subsidies. The burden of ever growing subsidies should be contained. Then only will it be possible to stabilize the standard of living and achieve sustainable development.

The monetary policy plays a vital role to provide impetus for development. The Statutory Liquidity Ratio (SLR), which is the reserve requirement that the commercial banks require maintaining in the form of gold / Government approved securities, must be reduced. In order to utilize the resources for national development, more stress is to be laid on agricultural development, industrial growth, increase in service sector income, programs like Make in India and Skill India and encouragement to start-ups for boosting productivity and employment. Skill India is an initiative of the Government of India aimed at utilizing the idle human resources. It was launched by Hon. Prime Minister Shri Narendra Modi with an aim to train over 40 Crore people in India in different skills by 2022. The initiatives include National Skill Development Mission, National Policy for Skill Development and Entrepreneurship, Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

Continued overleaf

### The Third Eye



#### 2015-16 GDP GROWTH RATES GROWTH FOR POVERTY ALLEVIATION

(source - <https://www.cia.gov/library/publications/resources/the-world-factbook/>)

**Coming together is a beginning, staying together is progress, and working together is success- Henry Ford (Born: July 30, 1863, Greenfield Township, Michigan, Died: April 7, 1947) the founder of the Ford Motor Company**



scheme and the Skill Loan scheme. Make in India is an initiative launched by the Government of India to encourage multi-national, as well as national companies to manufacture their products in India. It is expected that India would emerge, after initiation of the programme, as the top destination globally for foreign direct investment, surpassing the United States of America as well as China.

Albert Otto Hirschman (born in Berlin, Germany; 7 April 1915 – died, 10 December 2012) an economist who taught at Yale, Columbia and Harvard University said that a “Big Push” given to the key sectors will result in growth of other sectors too. The initial push which the Chinese economy experienced has not been sustained. The Republican Presidential hopeful Donald Trump is concerned about unemployment in USA. For India to achieve 10% growth and realize the dream of being a world leader, the rate of growth must accelerate as suggested by Michal Kalecki (22 June 1899 – 18 April 1970, a Polish economist who worked at London School of Economics, University of Cambridge, University of Oxford and Warsaw School of Economics) and by Richard Ferdinand Kahn (10 August 1905 – 6 June 1989; a British economist) whose most notable contribution to economics was his principle of the multiplier accelerator. India although moving towards liberalized system of economy, if the “Big Push” theory announced by Hirschman is followed, India will achieve sustainable development as Kalecki has enunciated through multiplier accelerator for realizing the global leadership. Programs like Skill India and a favorable Balance of Payment will go a long way in this endeavour.

### START-UP INDIA – THE GOVERNMENT OF INDIA'S INITIATIVE FOR FOSTERING ENTREPRENEURSHIP



The traditional business communities in India have always been successful entrepreneurs and many of them have progressed to become outstanding industrialists the world over. However the rest of the communities have generally been job-seekers, lacking funds for investments, averse to risk and they have been coveting secure jobs in Government, municipalities, public sector units or lucrative jobs in multinationals or rich Indian corporations. Moreover in the Indian eco-system we lack angel investors who can provide seed money, venture capital or funds to fuel growth. Entrepreneurial handholding and guidance are also rare in this country. This has led to our problems of unemployment, massive under-employment and large scale migration to cities.

The Hon. Prime Minister of India, Shri Narendra Modi had in his Independence Day speech from the Red Fort announced the “Start-up India” initiative aimed at promoting innovation by creating an ecosystem that is conducive for growth of Start-ups. A start-up is an entity that is headquartered in India which was opened less than five years ago and have an annual turnover less than Rs.25 Crore (\$3.7 million). It was formally launched on 16 January 2016 from Vigyan Bhawan, New Delhi. The event was inaugurated in the presence of the Hon. Finance Minister Shri Arun Jaitley. Among the attendees were around 40 top CEOs and start-up founders and investors from Silicon Valley, California as special guests including Masayoshi Son, CEO of SoftBank, Kunal Bahl, founder Snapdeal, Ola founder Bhavish Aggarwal, Paytm founder Vijay Shekhar Sharma, Travis Kalanick, founder of Uber, Adam Nuemann, CEO of WeWork, Prateek Kr. Bhowmick, Co-founder of ReviewAdda, Sachin Bansal, founder of Flipkart and many others. The event was attended by over 2000 young Indian entrepreneurs. The Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP) also organized a global workshop on “Innovation and Start-ups” aimed to provide a platform to bring together all stakeholders, stimulate dialogue on key challenges that the Indian innovation ecosystem currently faces, and provide the potential solutions to address them. Fostering a fruitful culture of innovation in the country is a long and important journey. This initiative will make India the hub of innovation, design and Start-ups. It is focused on to restrict role of States in policy domain and to get rid of “license raj” and hindrances in land permissions, foreign investment proposal, environmental clearances. Its objective is that India must become a nation of job creators instead of being a nation of job seekers.

The Action Plan has the following points.

1. Self certification	10. Building entrepreneurs - Innovation-related study plans for students
2. Start-up India hub	11. Atal Innovation Mission
3. Register through app	12. Setting up incubators
4. Patent protection	13. Research parks
5. Rs 10,000 Crores fund	14. Entrepreneurship in biotechnology
6. National Credit Guarantee Trust Company	15. Dedicated programmes in schools
7. No Capital Gains Tax	16. Legal support
8. No Income Tax for three years	17. Rebate of 80 percent on filing patent applications.
9. Tax exemption for investments of higher value	18. Easy rules and faster exit

The Stand-up India scheme is also aimed at promoting

## Starting a startup revolution

Democracy is a difficult kind of government. It requires the highest qualities of self-discipline, restraint, a willingness to make commitments and sacrifices for the general interest, and it requires knowledge. John Fitzgerald Kennedy, President (1961 – 1963) United States of America



entrepreneurship among SCs/STs and women. It provides them the following facilities:

1. Single Window Clearance even with the help of a mobile application
2. 80% reduction in patent registration fee
3. Modified and friendlier Bankruptcy Code to ensure 90-day exit window
4. Freedom from mystifying inspections for 3 years
5. Freedom from Capital Gain Tax for 3 years
6. Freedom from tax in profits for 3 years
7. Eliminating red tape
8. Self-certification compliance
9. Innovation hub under Atal Innovation Mission
10. IPR protection to start-ups and new firms

The Ministry of Human Resource Development and the Department of Science and Technology have agreed to partner in an initiative to set up over 75 such start-up support hubs in the National Institutes of Technology (NITs), the Indian Institutes of Information Technology (IIITs), the Indian Institutes of Science Education and Research (IISERs) and National Institutes of Pharmaceutical Education and Research (NIPERs). The Reserve Bank of India said it will take steps to help improve the 'ease of doing business' in the country and contribute to an ecosystem that is conducive for the growth of start-up businesses.

Government of Telangana has launched the largest incubation center in India as "T-Hub". Government of Andhra Pradesh has allocated a 17,000-square foot Technological Research and Innovation Park as a Research and Development laboratory. It has also created a fund called "Initial Innovation Fund" of Rs.100 Crores (US\$15 million) for entrepreneurs. Several other state Governments have also announced similar schemes.

The initiatives by the Government of India and various states will address the need for venture capital and growth capital for start-ups. Hopefully this will rekindle the animal spirits, the term John Maynard Keynes used in his 1936 book *The General Theory of Employment, Interest and Money* to describe the instincts, proclivities and emotions that ostensibly influence and guide human behavior, and which can be measured in terms of consumer confidence.



## SPACE - THE ULTIMATE FRONTIER & ITS EXPLORATION THROUGH TECHNOLOGY

- Kuldip Rai, MBA Dept. & Ex-DGM, EC



Hubble Space Telescope (above) and the Polar Satellite Launch Vehicle



SPACE is the ultimate frontier and offers great opportunities for scientific advancement and defense. Space is the vast universe above our atmosphere, troposphere, stratosphere, ozone layer, mesosphere, ionosphere (i.e. Kennelly-Heaviside layer and Appleton layer), thermosphere and exosphere, at altitudes of 10000 km and above. This vast emptiness contains galaxies, stars, planets, moons and debris of fabricated satellites and space ships long lost. Exploration and eventual utilization and colonization of space for setting up ground, satellite- and space-station based surveillance, monitoring, telemetry, meteorological, remote-sensing, communication and navigation stations, and for developing Antiballistic Missile (ABM) system for protection against nuclear, biological, chemical and germ



warfare attacks is based biological, chemical and germ warfare attacks is based on the concept of deterrence through the threat of retaliation. The system would provide a layered defense employing advanced sensors to detect and weapons to intercept and destroy incoming missiles in midcourse, high above the earth using nuclear X-ray LASERS, subatomic particle beams, and computer-guided projectiles — all under the central command and control of a supercomputer as in *Star Wars*, the popular science-fiction series. Some of these weapon systems are still under development. A network of space-based sensors and specialized mirrors for directing the laser beams toward targets would guide the weapons.

**IMPORTANCE OF THE SPACE PROGRAM** - The importance of Space can be gauged from the fact that National Aeronautics and Space Administration (NASA) of the United States Federal Government has a 2016 Budget of \$19.3 billion.

NASA is responsible for the civilian space program, aeronautics, aerospace research, Earth Observing

**Truly remarkable leadership is not just about motivating others to follow; it is about inspiring them-Condoleezza Rice, Secretary of State (2005-2009), United States of America**



System, Science Mission Directorate's Heliophysics Research Program, robotic spacecraft missions such as New Horizons, researching astrophysics topics, such as the Big Bang through the Great Observatories and the Greenhouse Gases Observing Satellite.

Similarly, India's Department of Space (DoS) aims to promote the development and application of space science and technology for the socio-economic benefit of the country. It includes 3 satellite systems, INSAT for communication, television broadcasting and meteorology, Indian Regional Navigation Satellite System (IRNSS) for Navigation with Indian Constellation (NAVIC) and Indian Remote Sensing (IRS) system for resources monitoring and management. It has also developed two satellite launch vehicles, Polar Satellite Launch Vehicle (PSLV) and Geosynchronous Satellite Launch Vehicle (GSLV), to place IRS and INSAT class satellites in orbit. The Department manages the Indian Space Research Organisation (ISRO)

**SPACE TRAVEL** – This includes unpiloted spacecraft, robotic explorer probes, space shuttles and human astronauts travelling to space. Astronauts venturing into space, living aboard orbiting space stations for months on end, conducting scientific investigations and experiments in zero gravity/ vacuum, visit and discover the nature of the universe beyond Earth including Moon, comets, asteroids, and other planets such as Mars, radiation belts surrounding Jupiter, particles orbiting in the rings of Saturn etc. Spacecraft studies yield a bounty of scientific discoveries about the solar system, the Milky Way Galaxy, and the universe and give us a new perspective on Earth and its neighbors in space. United States National Aeronautics and Space Administration (NASA) and the European Space Agency (ESA), constantly strive to conduct missions more economically/ efficiently. Some day it may even result in discovery of intelligent life beyond earth!

**SATELLITES AND ROCKETS** - Space exploration needs powerful and reliable rockets to boost satellites into orbit, and guidance systems to steer them on the proper flight paths to reach their desired orbits. Satellites can be either Synchronous or Non-synchronous and can be for any one or more of the following purposes.

Observatory	Meteorological,
Surveillance,	Telecommunication
Telemetry,	Global Positioning Systems (GPS)/ Navigation etc.
Remote sensing,	Broadcasting

The satellites themselves need precision analog and digital electronic components for communication, command and control that are lightweight, yet durable enough to withstand the acceleration and vibration of launch. For creating these components, the world's aerospace engineering facilities adopt new materials, processes, quality and reliability standards in manufacturing and testing. Earth based tracking stations maintain radio contact and communications with these satellites as they circle our planet Earth.

The union budget for 2016-17 provides a meager sum of Rs.7509 Crores for space research. This is only 1/17 of the US budget for space. Space research is vital for national defense and inland

security. This sector provides direct and indirect employment to nearly 20000 persons, mostly engineers and scientists. The equipments, materials and processes used therein are all expensive. The budget outlay must be enhanced to ensure that our security is not compromised and India does not lag behind other countries in scientific development.

## PREVENTION OF FINANCIAL FRAUDS

- By DVN Pradeep, MSS Law College

Banking, Financial Services & Insurance (BFSI) sector in a country includes its finance companies, investment companies, investment banks, life and general insurance companies, Mutual Funds, pension funds, Demat/ security brokers and dealers, mortgage companies, Gold loan companies and real estate investment trusts. Within that larger framework, a bank receives (as saving deposits or time deposits), collects, transfers, pays, exchanges, lends, invests, or safeguards money. Banks also provide foreign currency exchange, safe deposit vaults, Demand drafts, Letters of Credit etc. Reserve Bank of India (RBI) controls and regulates Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR), assets and liabilities of Banks. This sector is particularly vulnerable to Frauds. Fraud is a wrongful or criminal deception intended to result in financial or personal gain or a person or thing intended to deceive others, typically by unjustifiably claiming or being credited with accomplishments or qualities. its synonyms include fraudulence, sharp practice, cheating, swindling, trickery, artifice, deceit, deception, double-dealing, duplicity, treachery, chicanery, skulduggery, imposture, embezzlement etc. Financial fraud is an intentional act of deception involving financial transactions for purpose of personal gain. Fraud is a crime, and is also a civil law violation. Majority of the frauds take place in online transactions. The solution therefore lies in adopting improved technology.

The Government of India has implemented several technological interventions for Banking industry -

1. Jan Dhan - Aadhar - Mobile (JAM) linkage to stop leakage of subsidies
2. Indian Customs & Central Excise Electronic Commerce / Electronic Data Interchange Gateway (ICEGATE) for hassle free payment of duties
3. Institute for Development & Research in Banking Technology (IRDBT)
4. Direct Benefit Transfer for Liquefied Petroleum Gas (LPG)
5. Issue of Digital Signature Certificates by Controller of Certifying Authorities, Ministry of Communications and Information Technology, New Delhi to check frauds
6. Indian Financial Systems Code (IFSC) and Magnetic Ink Character Recognition (MICR) code for Banking
7. Cheque Truncation Scheme (CTS) by Reserve Bank of India for faster error free clearance
8. National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS) Schemes
9. National Payment Corporation of India - Immediate Payment Scheme (IMPS) for 24X7 electronic interbank funds transfer

If you are not criticized, you may not be doing much - Donald Henry Rumsfeld,  
Secretary of Defense (2001 to 2006), United States of America



through mobile phones, Unified Payment Interface & National Automated Clearance House for banks

The Banking and Telecom industries have also implemented many Modernization measures for this purpose-

1. Debit cards, credit cards, foreign currency (Forex) pre-paid cards
2. Automatic Teller Machines (ATM), Short Message Service (SMS) Alerts
3. One time passwords (OTP), three dimensional (3D) passwords, Telephone Personal Identification Numbers (TPIN), Mobile Personal Identification Numbers (MPIN)
4. Toll free phone numbers for account balance, blocking cards, account information, customer care etc.
5. Banking through telephone, cell phone, Internet, SMS, Mobile apps (e.g. ICICI I-Mobile), Subscriber Identity Module (SIM) toolkit codes
6. Mobile wallets e.g. PayTM, State Bank of India's e-Buddy, Bharat Sanchar Nigam Limited (BSNL) Quick Pay, ICICI Pockets, m-Rupee (Tata), M-Pesa (Vodafone), Airtel Money, Idea Money etc.

Fraudsters are bound to find new ways. The technology has to be continuously improved all the time. However the ultimate weapon for elimination of financial frauds lies in ethics.



## **BREXIT REFERENDUM AND IMPACT**

- By Kuldip Rai, MBA Dept.

British Exit from the European Union, or BREXIT is now imminent. The UK electorate addressed the question on 23 June 2016, in a referendum on the country's membership. The statement of the Referendum was "Should the United Kingdom remain a member of the European Union or leave the European Union?" This referendum was arranged by Parliament when it passed the European Union Referendum Act 2015. The result was as follows :

Turnout of voters 72.2% (more than 33.58 million)

Rejected ballots = 26,033

Voters who supported exit - 17,410,742 votes or 51.9%

Voters who supported to remain 16,141,241 votes or 48.1%

Immediately after the results were declared, Mr. David Cameron, Prime Minister, UK announced that he will resign by October 2016. Mr Nicola Sturgeon, the First Minister of Scotland said that Scotland may refuse legislative consent to dropping EU law in Scotland.

**ECONOMIC IMPACT:** Mr George Osborne, Chancellor of the Exchequer said that companies have started cutting back on investments following Brexit. The rating agencies Fitch and Standard & Poor have downgraded the UK's credit rating, meaning that lending money to the UK government is now less safe. There were big falls in stock markets in the UK and around the world immediately after the referendum, but there were considerable recoveries later. The value of the UK government's holding in Royal Bank of Scotland and Lloyds Banking Group dropped by about £8 Billion. It has recovered somewhat since. The Pound



## **Mr David Cameron, Prime Minister, Britain and the Map showing United Kingdom, Scotland and Ireland**

Sterling dropped considerably against the US Dollar, less so against the Euro. It is likely to stoke inflation in due course.

Higher U.S. Dollar and Japanese Yen are negative to both economies' export sectors. For Japan, this will impede its efforts to reinvigorate the economy after decades of deflation. The higher U.S. Dollar will trigger additional pressure on China to float the YUAN lower.

**IMPACT ON INDIA:** According to Standard Chartered Bank, the immediate impact on India's economy is likely to be felt via the financial-market. India's relatively strong fundamentals are likely to leave it less exposed than other Asian economies. Comments from the Reserve Bank of India (RBI) and the Government of India indicate that policy makers stand ready to act, if needed.

**POLITICAL IMPACT:** Brexit vote will embolden other EU skeptics. Other exit referendums may arise in the coming months to years. U.K. may face an additional exit referendum from Scotland.

## **BUSINESS ANALYTICS – FOR RATIONAL & LOGICAL DECISION-MAKING**

- By Ms Neeta Vijaykumar Dhumale, MBA Dept.

Henry Kaiser, the American industrialist famously said "Problems are only opportunities in work clothes." A fundamental part of every manager's role is to solve large or small, simple or complex, and easy or difficult problems. The business problem could be for an internal or external client. It can also be for those who are solving problems. The mental process of problem solving involves discovering, analyzing and solving problems with the ultimate goal to overcome obstacles and find a solution that best resolves the issue. Hence, having strong problem solving skills can make a huge difference to a manager's career.

A Decision is the solution of a problem. Decision-making should ideally be based upon facts and their quantitative analysis. However, most of the time managers are in such a great hurry to take decisions that there is no time for even data collection. This is the major cause of bad decisions in business which lead to loss of money and reputation.

The science of BUSINESS ANALYTICS involves collection of relevant facts, their analysis through statistical and operations

**Brexit means Brexit - There must be no attempt to remain inside the European Union -  
Ms. Theresa May, Prime Minister, Great Britain**



methods, design of explanatory and predictive models, and application of operations research optimization techniques.

**DATA ANALYTICS**, the science of examining raw data with the purpose of drawing conclusions, is used in many industries to allow companies and organization to make better business decisions. It is the use of modern data mining; pattern matching, data visualization and predictive modelling to produce analyses and algorithms that help businesses make better decisions.

**DATA SCIENCE** is the intersection of business and analytics. It provides the ability to visualize, articulate and solve problems and make decisions that are sensible and based on facts and information making extensive use of data, statistical and quantitative analysis, and fact-based management to drive decision making. It extracts knowledge and insights from data in various forms, either structured or unstructured, using statistics, data mining, and predictive analytics, similar to Knowledge Discovery in Databases (KDD).

**DECISION SUPPORT SYSTEM (DSS)** is a computer program application to analyze business data to enable users to make business decisions. Group Decision Support Systems (GDSS) are a class of electronic meeting systems, a collaboration technology designed to support meetings and group work. GDSS are distinct from Computer Supported Cooperative Work (CSCW) technologies as GDSS are more focused on task support, whereas CSCW tools provide general communication support. GDSS are categorized within a time-place paradigm. Different features may be required for synchronous vs. asynchronous communication, as well as local vs. distant.

**DATA WAREHOUSE** - or enterprise data warehouse is central repository of integrated data from one or more disparate sources or of historical data organized by subject to support decision makers in the organization.

**BIG DATA** - Big data describes any voluminous amount of data sets containing a variety of data types which could be structured, semi-structured and unstructured data that may be mined for information. Big data analytics is the process of examining such large data sets to uncover hidden patterns, unknown correlations, market trends, customer preferences etc. Standard tools and procedures are not adequate to search and analyze massive databases. Hence big data is a special problem in analytics.

#### SOME OF THE TOOLS USED IN BUSINESS ANALYTICS –

Sl	Category	Tools
1	Correlation and Multivariate data analysis	Bivariate Correlation, Partial Correlations, correlation matrix classification and regression trees, Multivariate data analysis, Factor Analysis, Multiple Regression Analysis, Discriminant Analysis, Cluster Analysis, Rank Correlation
2	Data Mining and related	Data Mining, Text Mining, Web Mining, SAS Enterprise Miner software, Market Basket Analysis
3	Decision Modeling	Optimization, Marketing mix, Capital Budgeting, portfolio optimization,
4	Simulation	Decision Making under Uncertainty



Two of the software used in Business Analytics - R and SAS

5	Games Theory and related	Games Terminology, Saddle point, dominance rule, Queuing Models, Poisson arrival with Exponential Service Rate
6	The Tests	The Sign Test, Signed-Rank Test, Rank Sum Tests, Mann-Whitney U Test, Kruskal-Wallis Test, Kolmogorov-Smirnov Test

#### FEW OF THE SOFTWARE USED IN BUSINESS ANALYTICS –

1. R, a language and environment for statistical computing and graphics.

R provides a variety of statistical (linear and nonlinear modeling, classical statistical tests, time-series analysis, classification, clustering, etc.) and graphical techniques, and is highly extensible.

2. Statistical Analysis System (SAS) is another software suite developed by SAS Institute, the largest market-share holder of such software, for advanced analytics and business intelligence.

3. Simple problems can also be solved by pivot charts and Anova in Microsoft Excel

**EMPLOYMENT POTENTIAL** - The use of analytics is growing. Companies need employees who understand the data. A May 2011 study from McKinsey & Co. found that by 2018, the U.S. will face a shortage of 1.5 million managers who can use data to shape business decisions.

Corporate honchos, company directors, stockbrokers, investors, industrialists, traders, executives and managers can benefit by using these software tools so that the decisions are free from guesswork, hunches, gut feeling, prejudices and predilections and based on facts and logic.

**He who rejects change is the architect of decay. The only human institution which rejects progress is the cemetery.**  
- James Harold Wilson, Prime Minister (1964 to 1970, 1974 to 1976 ), United Kingdom



## SHIPPING TRANSPORT

-By Prof (Dr) E. Lalitha, MBA Dept



Hon. Prime Minister Shri Narendra Modi inaugurated the Maritime India Summit 2016 (MIS 2016) at the Bombay Convention and Exhibition Centre in Goregaon, Mumbai on 14 April 2016. It was a maiden flagship initiative of the Ministry of Shipping that provided a unique platform for participants to explore potential business opportunities in Indian Maritime Sector. MIS 2016 hosted forums to foster interaction between stakeholders through B2B and G2B meetings; special sessions on investment opportunities in Maritime Sector with focus on the following:

Port Modernization	New Port Development
Inland Waterways	Hinterland Connectivity & Multimodal Logistics
International Shipping	Coastal Shipping
Ship Building, Ship Repair & Ship Recycling	Port Led Industrialization
Green Initiatives in Ports	Cruise Shipping and Lighthouse Tourism

The conference projected vast investment opportunities in each of the Maritime States and Union Territories, including an exclusive partner country session by Republic of Korea. It showcased the latest technology, products and services as well as helped disseminate knowledge about the latest development in Maritime Sector. In order to promote port led development including rapid capacity expansion, modernization of ports and improvement in evacuation, the Ministry of Shipping has envisaged the Sagarmala project with an aim to develop India's ports and coastline making them comparable to global benchmarks. Under Sagarmala, 150 projects have been identified which would entail an investment of Rs. 3 Lakh Crores.

### Facts and figures about Indian Maritime trade:

- India's long coastline of 7,517 km and navigable inland waterways of 14,426 km offers immense potential for development
- 4th most attractive FDI destination in the World as per UNCTAD
- Over the last decade, seaborne trade has grown at twice the global growth rate of 3.3%
- Maritime Container trade has grown at 6.5%, which is higher than the world average of 5.4% over the past 10 years (FY 2005 - 2015)



*"Shipping is just not ferrying of goods and passengers. It is all about the growth of the nation as it promotes trade."*

”

Shri Nitin Gadkari  
Hon'ble Minister of Shipping,  
Road Transport & Highways

- Cargo traffic at Indian ports has doubled to 1 billion tonnes per annum over the last decade (FY 2005 - 2015) and is expected to reach 1.7 billion tonnes per annum by 2022
- US\$ 2.6 Billion invested in Ports and Shipping sector between 2011 and 2014
- 150 + projects identified in Indian maritime sector offering numerous investment opportunities.

Goods or cargo can be transported by rail, road, air, on water, pipelines or ropeways. Transport of goods on water is far more economical than air transport. Sea transport or Ship transport by a watercraft carrying passengers or goods/cargo has been the largest carrier of freight throughout recorded history. Its importance for passengers has decreased due to aviation. However, it is still utilized for short trips and pleasure cruises. Cargo carried in more than one mode (e.g. air/sea, land/sea) is called intermodal or co-modal. Over 70% of earth surface is covered by water. Hence, this mode of transport is ubiquitous. Cargo vessels can sail by rowed boat, ship, sailboat or barge, over oceans and lakes, through canals or along rivers for commerce, recreation or the military purpose. Water transport is slow and therefore not preferable when material delivery is highly time-critical. A cargo ship sailing from a European port to a US one will typically take 10-12 days depending on water currents and other factors. Containerization revolutionized ship transport. General cargo includes goods packaged in boxes, cases, pallets, and barrels. The total number of merchant ships of at least 1,000 gross register tons in the world was 30,936 in 2006. In 2010, it was 38,988, an increase of 26%. This shows how fast this mode of transport is becoming more and more popular.

### TYPES OF VESSELS:

- TRAMP** - a cargo vessel that carries goods between many different ports rather than sailing a fixed route; Tramp has no fixed run but will go wherever a suitable cargo takes it.
- BARGE** - a long flat-bottomed boat for carrying freight on canals and rivers, either under its own power or towed by another, flat-bottomed boat, built mainly for river and canal transport of heavy goods.
- DREDGER** - A dredging machine; A barge or boat equipped with a dredge; a boat designed for dredging harbors or other bodies of water used to excavate in shallow seas or fresh water areas with the purpose of gathering up bottom sediments and disposing of them at a different location.
- FERRY** - a boat or ship for conveying passengers and goods, especially over a relatively short distance and as a regular service, a form of transport, usually a boat or ship carrying (or ferrying) passengers and sometimes their vehicles..

Types of ships can be further distinguished by propulsion, size or cargo type. Recreational or educational craft still use wind power. Smaller craft use internal combustion engines to drive

**The great society is a place where men are more concerned with the quality of their goods than the quantity of their goods.**  
Lyndon Baines Johnson, President (1963-1969), United States of America.





**Harbor cranes unloading cargo from a ship**

one or more propellers. Jet boats use an inboard water jet. Hovercraft, are propelled by large pusher-prop fans.

Harbors, seaports and marinas host watercraft, and consist of components such as piers, wharfs, docks and roadsteads.

#### **HUMAN RESOURCES ABOARD A SHIP**

DECK CREW	ENGINEERING CREW
Chief Officer/Chief Mate	Chief Engineer
Second Officer / Second Mate	Second Engineer / First Assistant Engineer
Third Officer / Third Mate	Third Engineer / Second Assistant Engineer
Boatswain	Fourth Engineer / Third Assistant Engineer
Able Seamen & Ordinary Seamen	Fifth Engineer / Junior Engineer

STEWARDS department is composed of a Chief Steward, a Chief Cook, and a Steward's Assistant.

Staff officer positions- Chief Purser, Medical Doctor, Professional Nurse, Marine Physician Assistant, Pilots, Electro-technical officers etc. Officers and staff from various nationalities are found onboard ships.

**MERCHANT NAVY AS A THRILLING, ADVENTUROUS CAREER** – Merchant Navy refers to a country's commercial shipping, as opposed to that involved in military activity.

It is adventurous because there is always risk lurking around. They sometime face dangerous conditions at sea. The Bermuda Triangle/ Devil's Triangle, is a loosely defined region in the western part of the North Atlantic Ocean, where a number of aircraft and ships are said to have disappeared under mysterious circumstances. Mariners spend much of their life beyond the reach of land.

Yet men and women still go to sea. For some, the attraction is a life unencumbered with the restraints of life ashore. Seagoing adventure and a chance to see the world also appeal to many seafarers. There are great facilities on a ship. Large vessels include a gym and a swimming pool for use by the crew. Officers or crew can sit to watch movies. TVs and DVD players are even provided in cabins. There are strict restrictions on smoking. Bars and games consoles are provided.

## **ADIEU DR. RAGHURAM GOVINDRAJAN**

Dr. Rajan, Governor, Reserve Bank of India has announced that he will not accept second term as RBI Governor after September 2016. As Governor of the RBI, Dr. Rajan made curbing inflation his primary focus. During his tenure retail inflation fell from 9.8% in September 2013 to 3.78% in July 2015 and wholesale inflation from 6.1% in September 2013 to a historic low of (-) 4.05% in July 2015. He resisted efforts to reduce the interest rates and still the rate of GDP growth remained high. During his tenure a stable Rupee maintained the foreign exchange (forex) reserves at a high level. On relinquishing office, he plans to return to academia.



**DR. RAGHURAM RAJAN**

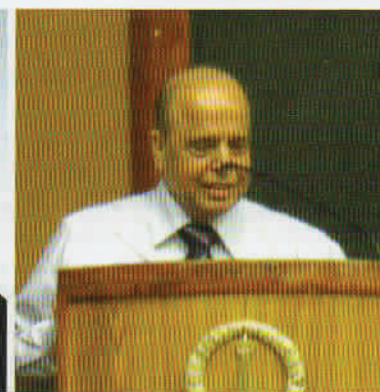
He was a professor of finance at the University of Chicago Booth School of Business earlier. He had earlier expressed the view that crony capitalism a big threat to countries like India as it leads them into the middle income trap and creates oligarchies that slow down growth. Crony capitalism, the economic system characterized by close, mutually advantageous relationships between business leaders and government officials will affect the country's fundamentals.

## **GREAT & WISE**



**BARACK HUSSEIN  
OBAMA**

(born in Honolulu, Hawaii, 4 August 1961) the 44th President of the United States; the first African American to hold the office, as well as the first president born outside of the continental United States. Obama is a graduate of Columbia University and Harvard Law School, and the 2009 Nobel Peace Prize laureate.



**Dr. KRISHNASWAMY  
KASTURIRANGAN**

(born in Ernakulam 24 October 1940) Astrophysicist headed the Indian Space Research Organisation (ISRO) from 1994 to 2003. He was a Member, Rajya Sabha, from 2003 to 2009, a member of the Planning Commission, Chancellor of Jawaharlal Nehru University; Padma Shri (1982), Padma Bhushan (1992) and Padma Vibhushan (2000). He was the architect of PSLV and INSAT.

**There's too much tendency to attribute to God the evils that man does of his own free will. Agatha Christie (British writer 1890-1976)**





## SUNRISERS HYDERABAD – THE CHAMPIONS OF VIVO IPL 2016 – Future Of Indian Cricket

-K. Sreehari, MBA Dept

On the night of Sunday 29 May 2016 all the cameras were focussed on the packed-to-the-roof Chinnaswamy Stadium (capacity 40,000), Bengaluru. Sunrisers Hyderabad (SRH - Orange Army) beat Royal Challengers Bangalore (RCB) by 8 runs to win their maiden championship. SRH is owned by Kalanithi Maran of the Sun TV channel Network and was founded in 2012 after the Hyderabad-based Deccan Chargers were terminated by the IPL. The team was lead by Captain David Warner, ably supported by Shikhar Dhawan, Ben Cutting, Yuvraj Singh and others. They beat Royal Challengers Bangalore (RCB) mentored by Vijay Mallaya. The losing team was lead by Virat Kohli, supported by Chris Gayle, AB de Villiers and others. The Indian Premier League (IPL) was established by the Board of Control for Cricket in India (BCCI) in 2007. The brand value of IPL was estimated to be US\$3.2 billion in 2014. According to BCCI, the 2015 IPL season contributed Rs.11.5 billion (US\$182 million) to the GDP of the Indian economy. This match was the last and the final in the ninth season Twenty 20 (IPL9 or VIVO IPL 2016). The season was sponsored by the Chinese smart phone manufacturer VIVO and was played between 9 April 2016 and 29 May 2016. Eight teams contested the 2016 season. The other 6 teams were as follows:

Sl.	Name of the team	Name of the captain
1	Gujarat Lions (GL)	Suresh Raina
2	Kolkata Knight Riders (KKR)	Gautam Gambir
3	Mumbai Indians (MI)	Rohit Sharma
4	Delhi DareDevils (DD)	Zaheer Khan
5	Rising Pune Supergaints (RPS)	M S Dhoni
6	Kings XI Punjab (KXIP)	David Miller

The first six matches of the IPL season 9 recorded Television Viewership Rating (TVR) of 3.50 (average). This was less than the average TVR of 4.50 for the first week of IPL season 2015 and also the second lowest recorded in the opening week of any IPL season, with the only exception being the 2014 season. In spite



of scorching heat, this season's opening games at Delhi, Mohali and Kolkata had an average attendance of over 60%. The first match at Hyderabad had a 50% crowd turnout.

IPL 2016 is sure to generate enormous interest and enthusiasm among the population and encourage the young to take up sports earnestly. Ticket prices at Bangalore, the venue with the highest prices, were reduced after low attendances in the first two matches at the venue.

In spite of the IPL and the cricketers of today like David Warner, Chris Gayle and Virat Kohli, the cricket pundits still remember the great Sir Donald George "Don" Bradman, Sir Garfield St Aubrun Sobers, CK Nayudu, Barry Anderson Richards, Sir Isaac Vivian Alexander Richards, little master Sunil Gavaskar and the great spin trio of India. IPL should encourage the great legacy of classic cricket.

IPL should give a good lead for the youth and maintain the glory of cricket. It has to be careful in warding off any stigma for the future of cricket.

## OBITUARY



**Prof Shri Iyyanki Venkata Chalapati Rao (Shri I. V. Chalapati Rao,** born: 25 April 1923 at Kakinada, Andhra Pradesh) eminent teacher, author, editor and Chairman, Forum for Higher Education passed away at Hyderabad on 27 April 2016.

He worked as Professor & Director, State Council of Educational Research and Training, Hyderabad, and later as Registrar, Central Institute of English and Foreign Languages.

He was Visiting Professor for Academic Staff Colleges of Osmania University, University of Hyderabad, Sri Venkateswara University, Andhra University and Jawaharlal Nehru Technological University. He served as Chief Editor, "Triveni" – a Literary and Cultural Quarterly and Editor, "Twilight Life" – Organ of the Association for the care of the Elderly. He was recipient of Pratibha Rajiv Award and felicitated by 3 Chief Ministers of Andhra Pradesh (Shri T. Anjaiah, Shri N.T.Rama Rao and Shri K. Rosaiah), by Shri P. V. Narasimha Rao, the then Prime Minister; Ms Kumud Ben Joshi and Shri Krishna Kant (Former Governors of Andhra Pradesh) and Shri KV Raghunatha Reddy (Former Governor of West Bengal).

Prof Shri I. V. Chalapati Rao inspired and infused character, comradeship, originality, versatility, dignity and above all kindness to all his contemporary fraternity. His memories will last long in the Telugu states, viz. Andhra Pradesh and Telangana.



## FARMER SUICIDES PREVENTION

-by Dr. M. Vijaya Kumari, RG Kedia College



The institutional credit plays an important role in the agricultural development. India is agrarian country, since 72 per cent of the area is rural area and more than 60% of the people depend on this sector. But, the contribution of this sector to the nation's GDP is less than 15 per cent. Agricultural sector has had low production due to a number of factors such as illiteracy, insufficient finance, and inadequate marketing of agricultural produces. The time is ripe to safe guard the agricultural sector and to stop the farmers' suicides in the country. A special package is necessary to provide input subsidy and development of animal husbandry, horticulture and poultry sector and it will help the agrarian economy.

**History of farmer suicides** - The history of Indian farmer suicides is not new. According to the National Crime Records Bureau (NCRB) data, more than 216000 farmers committed suicide since 1997. A record of 2,50,000 farmers committed suicide in India over the last 13 years. The big 5 States-Maharashtra, Andhra Pradesh, Karnataka, Madhya Pradesh, and Chhattisgarh follow closely, with two thirds (68.4%) of farmer suicides being reported from these states. The average annual average farmers' suicides are 15369 over a period of 18 years. During the period 2004-12, the number is 1,466,373 at much higher annual average of 16,264.

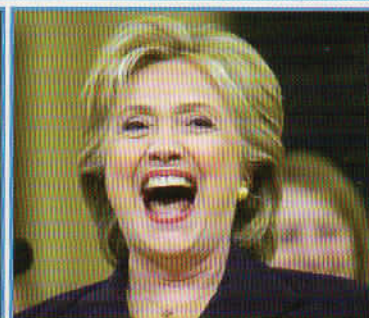
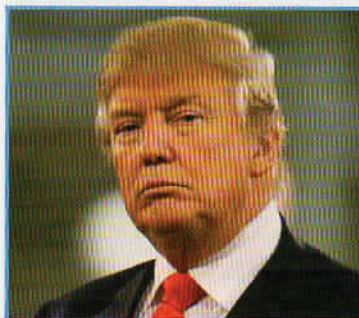
**Private Indebtedness**- the main culprit: Farm households are forced to adopt "capitalist" mode of production, for which access to credit/ finance is unavoidable given the farmer's condition. Access to credit is very crucial. During 2014-15 kharif season, credit access to farm households took a hit due to the policies of the state governments and the banking system (central government). The debt waiver scheme implemented by the state government covered only the institutional debts and does not cover the private non-institutional debts. Almost all the farmers committing suicides have heavy private debts, which they are unable to service i.e. pay at least the accumulating annual interest and obtain fresh loan to purchase the needed inputs including seeds, fertilizers, tractor hiring charges etc for the next crop.

Even the debt waiver scheme announced by the central government, did not cover private debts of farmers. This scheme was formulated based on the study of expert group led by Radhakrishna appointed by the finance ministry, which submitted its report in June 2007 itself. Private borrowing to meet household expenditure also increased causing unbearable distress. With these kinds of policies and financial situation, farm households are now not seeing any hope for their survival. Under these circumstances, the head of the family, obviously, is the first to face unbearable stress compared to the other members in the family. Under these conditions, only those who get income support from other sources, however modest it might be, are able to survive. Those dependent exclusively on farming income are resorting to forced deaths.

**Power Supply Constraints**: another culprit - Irrigated farming is heavily dependent upon underground waters to as much as 83 percent, for which supply of power is necessary. Power supply shortage has become much more severe and intense for whatever reasons that might be. As a result, quality of power supplied to agriculture has further deteriorated. It is suggested that the following steps may be taken -

1. At least three years moratorium should be promulgated on the agriculture to small and marginal farmers
2. Special cell for small and marginal farmers should be opened by the central government to look after the finance position and their transactions at block level.
3. Crop insurance scheme should amend in the direction that any farmer whoever will face the loss due to natural calamities should get proper compensation or at least the crop loans should be paid.
4. One of the important causes for agricultural suicides is lack of remunerative price. In some of the state the government is purchasing the agricultural produce to meet up the agriculture expenditure. Hence, this method should be adopted in all the States.

## UNITED STATES OF AMERICA – WHO WILL BE IN THE WHITE HOUSE?



### Donald John Trump & Hillary Rodham Clinton

The United States presidential election is scheduled for Tuesday, November 8, 2016. This will be the 58th quadrennial U.S. presidential election. Voters will select presidential electors who in turn will elect a new president and vice president through the Electoral College. The Twenty-second Amendment to the United States Constitution specifies the term limit which prevents the incumbent President, Barack Obama, of the Democratic Party, from contesting the election for a third term.

The Republican Party front-runner is Donald John Trump (born June 14, 1946) a son of real estate developer, Fred Trump. He is a businessman, politician, television personality, Chairman and President of The Trump Organization, and founder of the gaming and hotel enterprise, Trump Entertainment Resorts, now owned by Carl Icahn. Trump hails from Queens, New York City. While attending college, Trump worked for his father's firm i.e. Elizabeth Trump & Son. After he graduated, Trump joined the company. He was given full and total control in 1971 and then he renamed the company "The Trump Organization". Since then, Trump has successfully built and run casinos, golf courses, hotels, and other properties, many of which bear his name. Trump, his businesses, and his three marriages, have always received popular positive and negative exposure in all media. Once he hosted a popular NBC reality show, The Apprentice, from 2004 to 2015.

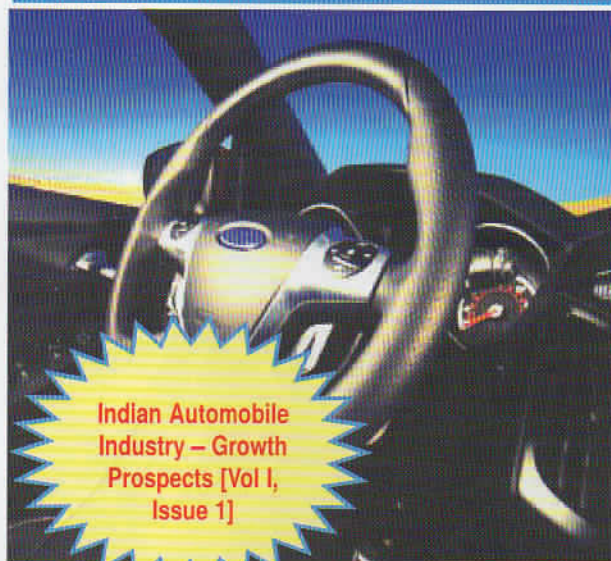
From the Democratic Party, the most prominent candidate is Ms Hillary Diane Rodham Clinton (born October 26, 1947) wife of William Jefferson Clinton, the 42nd President of the United States and was First Lady of the United States during his tenure from 1993 to 2001. She was the 67th United States Secretary of State from 2009 to 2013. From 2001 to 2009, Hillary Clinton served as Senator, New York.

**A dream doesn't become reality through magic; it takes sweat, determination and hard work- Colin Luther Powell, Secretary of State (2001–2005), United States of America**



**THE SAGA OF BUSINESS WAVES – A QUARTERLY NEWSLETTER FROM JANUARY 2010  
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Employment potential in IT and New Education Policy [Vol III Issue 2]



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**Skill India**  
कौशल भारत - कुशल भारत



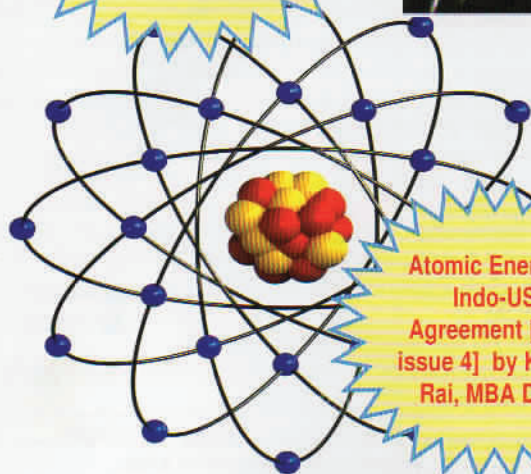
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School of Business Management.

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[1] (L to R) Prof M Ramulu, OU, Shri SB Kabra, Jt. Secretary, MSS, Prof GD Sharma, Former Secretary UGC, Prof Indrakant, Council for Social Development, and Jain Ratna Lion Shri Surendra Luniya, Secretary, MSS Lighting the lamp before the Symposium on Union Budget [2] Dias at the Symposium - Prof Jeelani, UoH, Prof Indrakant, Prof GD Sharma, Shri Surendra Luniya, and Shri SB Kabra [3] Mock ICET: Prof DVG Krishna, Director, Shri SB Kabra, Prof Suryanarayana, Dean, Dept. of Business Management, OU, and Shri Surendra Luniya [4] Mr Ramachandra Rao, MLC being felicitated at CBMD Valedictory function [5] Prof R Nageshwara Rao, OU addresses [6] Mr G Kishan Reddy, MLA at Sujalam Suphalam [7] Prof S Pardhasaradhi, Former Chairman, Board of Studies, OU addresses [8] Prof Laxman, Dept of Commerce gives away the certificates [9] Prof DVG Krishna pays homage to Prof IV Chalapati Rao [10] Mr Vijay Kumar, Chief PRO, Andhra Bank being felicitated [11] Career counseling [12] Students display their appointment letters from Genpact

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