GLOBAL RESEARCH ANALYSIS

ISSN No 2277 - 8160

Listed & Indexed with

ISSN Directory, Paris



Multi-Subject Journal

Volume : 1 | Issue : 1 | June 2012 | ₹ 250/-

GLOBAL RESEARCH ANALYSIS

ISSN No 2277 - 8160

GLOBAL RESEARCH ANALYSIS

Editor In-Chief :

Dr. Khansa Memon
SARA Publishing Academy

Dr. Ashok S. Pawar Associate Professor, Dept. of Economic Dr. Babaasaheb Ambedkar Marathwada.University, Aurngabad.(MS-India)-431004	**Dr.(Prof) Vijay Kumar Soni** Principal, Jai Meenesh College, Phagi, Jaipur, Rajasthan	**Dr. A.R. Saravankumar** Assistant Professor in Education DDE, Alagappa University, Tamilnadu
Dr. R. Ramachandran Commerce DDE Annamalai University Tamilna	**Dr. R Ganpathy** Assistant Professor in Commerce Directorate of Distance Education Alagappa University Karaikudi.	**Dr. Amit Bandyopadhyay** Assistant Professor Department of Physiology University of Calcutta
Dr. V. Kumaravel Professor and Head Vivekanandha Business School for Women Tiruchengode, Namakkal Dist	**Dr. K. Prabhakar** Professor, Department of Management Studies, Velammal Engineering College, Chennai - 600 066.	**Dr. Sunita J. Rathod** Maharashtra Education Service Group-B DIET Dist. Jalna

SUBSCRIPTION DETAILS

Period	Rate	Discount	Amount Payable
One Year (12 issues)	3000/-	Nil	3000/-
Two Years (24 issues)	6000/-	200/-	5800/-
Three Years (36 issues)	9000/-	300/-	8700/-
Five Years (60 issues)	15000/-	600/-	14400/-

You can download the Subscription form from website www.theglobaljournals.com. You will require to print the form. Please fill the form completely and send it to the Editor, GLOBAL RESEARCH ANALYSIS along with the payment in the form of Demand Draft/Cheque at Par drawn in favour of GLOBAL RESEARCH ANALYSIS payable at Ahmedabad.

- Thoughts, language, vision and examples in published research paper are entirely of author of research paper. It is not necessary that both the editor, and editorial board agrees with the author. The responsibility of the matter of research paper/article is entirely of author.
- Editing of the Global Research Analysis is processed without any remittance. The selection and publication is done after recommendations of atleast two subject expert referees.
- In any condition if any National/International University denies accepting the research paper published in GRA, then it is not the responsibility of Editor, Publisher and Management
- Only the first author is entitle to receive the copies of all co-authors
- Before re-use of published paper in any manner, it is compulsory to take written permission from the Editor-GRA unless it will be assumed as disobedience of copyright rules
- All the legal undertaking related to Global Research Analysis is subject to Ahmedabad Jurisdiction.
- The research journal will be send by normal post. If the journal is not received by the author of research paper then it will not be the responsibility of the Editor and publisher. The amount for registered post should be borne by author of the research paper in case of second copy of the journal.

Editor,
GLOBAL RESEARCH ANALYSIS
3, SUHANA, Near. Ruby Apartment, B/h NID, Rajnagar Road, Paldi Ahmedabad – 380007. Gujarat (INDIA)
Cell : +91 98247 02127, 8866 00 3636

INDEX

Sr. No.	Title	Author	Subject	Page No.
1	Vat And Accounting and Emerging Financial Services	Dr.Kishor V. Bhesaniya	Accountancy	1-2
2	Regulations for Alternative Investment Funds – A Primer	Dr. Bheemanagouda	Commerce	3-4
3	Financial Inclusion in India: A Real Effort for Growth	Dr. Jyotindra M. Jani, Manish B. Raval	Commerce	5-6
4	Tourism Industry and Medical Tourism in India – An Analysis	Dr. M. K. Maru	Commerce	7-8
5	Enhancing Supply Chain Performance through Effective Transportation	Dr. Vipul Chalotra	Commerce	9-10
6	Growth of Consumer Co-Operatives in J&K- A Study	Tarsem Lal	Commerce	11-12
7	Uses of College Funds in Assam-With Reference to Lakhimpur District	Dr. Niranjan Kakati	Commerce	13-14
8	LIC –A Modle Employer	Dr.J.K.Sehgal	Commerce	15-16
9	A study of the use of Information technology enabled banking services by Indian Customers	Dr Sunny Thomas, MsWaheeda Sheikh	Economics	17-18
10	The Role of Women Entrepreneurs in The Emerging Economic Force	Dr.Sangappa.V. Mamanshetty	Economics	19-21
11	Trade-off Between Inflation and Unemployment for BRICS Countries – Dead or Alive?	Krunal K Bhuva, Ashok R. Bantwa	Economics	22-23
12	Urbanisation and its Impact on Poverty	Dr. K.J. Thankachan, Mrs. Nazia Ansari	Economics	24-25
13	Food Security- Issues and Concerns	Munisha Gaur	Economics	26-27
14	Teaching Strategies : A Model Approach	Dr. Mujibul Hasan Siddiqui	Education	28-29
15	School Curriculum in Terms of Life Skills and its Implications for Teacher Education	Ramesh B. Sakhiya	Education	30-31
16	Edge Detection using live video acquisition	Patel Janakkumar Baldevbhai, R.S. Anand, Patel Nilam J.	Engineering	32-34
17	Topological Characteristics of Dynamics of Heart in Various Pathological Cases using Lyapunov Exponent and RBF Network	Abinash Dahal, Deepashree Devaraj, Dr. N. Pradhan	Engineering	35-37
18	Implementation of Digital Logic Method for Selection of Material of Automotive Brake Disc	Mr. Keval J. patel, Tushar M. Patel, Ankit A. Darji	Engineering	38-40
19	Initial and after Market Performance of Indian IPOs	Dr. Ashvin H. Solanki	Finance	41-43
20	Facilitation of Collateral Free Loan to Improve Financial Linkages For Start Up & Growth – A Case Study	D M Parikh	Finance	44-46
21	Impact of Maternal Nutrition Education Module on Nutritional Knowledge And Status in Rural Pregnant Women	Dr. Anjali A. Rajwade	Home Science	47-49
22	Trends and Challenges in Indian Insurance Industry	Dr Mahalaxmi Krishnan	Insurance	50-51
23	(Raksha Patrakarita : Dayra Badhae Media Sansthan)	Dr. Subodh Kumar	Journalism	52-53
24	NATIONAL WAGE POLICY VIZ-A-VIZ CORRELATION BETWEEN WAGES, PRICE AND TAX	Manish Parshuram Pawar, Dr. Ashok Shankarrao Pawar	Law	54-55

Sr. No.	Title	Author	Subject	Page No.
25	Shobha De's treatment of sex in Starry Nights	Chetan J. Marakana	Literature	56
26	A Catalyst to Promote Teaching and Learning English Grammar	Elsamma Sebastian	Literature	57-58
27	A Study on Effectiveness of Employee Training in Health Care Industry in a Private Multi-Speciality Organization	Dr C Swarnalatha, TS Prasanna	Management	59-61
28	Insights in to the Tomorrow Retailing in India: A Point of View and Method	Anuradha Averineni	Management	62-63
29	A Study on the Excellence of Worklife Among the Employees of it Sector in Coimbatore	G. Murali Manokari, R.Kanaka Rathinam	Management	64-65
30	Socio Cultural Issues in Marketing	Kavita A. Trivedi	Management	66-67
31	Organised Multi Brand Retailing: Opportunity For Sustainable Development	Rachita Sambyal	Management	68-69
32	Investors Perception for Mutual Fund Investment in 21st Century	Dr. Deepak H. Tekwani	Management	70-71
33	FDI in India	Dr. M Venkata Subba Reddy, Mr.udaya Banu	Management	72-73
34	Global Crisis and Indian Economy, A Comparative Analysis with World Economy	Dr. Pankaj K. Trivedi	Management	74-76
35	Practical Utility of Intellectual Capital Approach-A Critical Analysis	Dr. Shilpa Trivedi	Management	77-78
36	An In-depth study of Consumer Preference towards Personal Care Products	Dr.Sharif Memon	Management	79-81
37	Consumer Awareness and Preferences towards Ayurvedic Cosmetic Products in Coimbatore City	Mrs. B. Menaka, Dr. T. Ramasamy, Dr. R. Ganapathi	Management	82-90
38	Miracle combination of five herbs Methi, Kalongi, saunf, jeera and Rai	Dr. Sneh Harshendra Sharma	Management	91-93
39	Social Marketing: Towards a new horizon	Dr Partha Sarkar	Marketing	94-95
40	Epidemiological Transition and Emerging Conflicts in Health Care	Dr. Pawan Kumar, Dr. Abdul Majeed Khan	Public Health	96-97
41	Knowledge, Attitude and Practice of Reproductive Health Care Services among the Members and Non-members of Self Help Groups (SHGs)	Dr.K.Jothy	Social Sciences	98-100

Volume : 1 | Issue : 1 | June 2012 • ISSN No 2277 - 8160

Research Paper | Management

Organised Multi Brand Retailing: Opportunity For Sustainable Development

Rachita Sambyal Assistant Professor , University Inst. of Applied Management Sciences, Panjab University, Chandigarh

ABSTRACT

Opening up of FDI in multi-brand retail in India is expected to reap benefits in the medium to long-term by improving balance sheet & liquidity profile of cash-starved retailers with aggressive expansion plans , supply chain & back-end infrastructure while reducing margins for middlemen through direct sourcing from farmers , arrest inflationary pressures through increased supplies facilitated by improved productivity of farmers, reduction of agri-waste, employment generation opportunities and better experience for Indian consumers in the long-run. To optimize national interest, it is suggested to have a calibrated approach for introducing FDI in the retail sector in terms of the percentage and minimum capitalization requirements, distinction in approach for food & non-food sector, widening the scope to include other sectors such as non-banking financial company & telecom , utilization of 50% of the FDI for back end infrastructure and imposing a requirement to purchase 30% of the goods from SMEs.

KEYWORDS: Logistics, Multi brand retailing

0.1 INTRODUCTION

Foreign direct investment (FDI) is favoured to take advantage of cheaper wages , special investment privileges such as tax exemptions offered by the country as an incentive for to gain tariff-free access to the markets of the country or the region. It provides an inflow of foreign capital & funds, investment in addition to an increase in the transfer of skills, technology and job opportunities. The United States is the world's largest recipient of $ 194 billion FDI followed by China. Starting from a baseline of less than $1 billion in 1990, a recent UNCTAD survey projected India as the second most important FDI destination (after China) for transnational corporations during 2010–2012. As per the data, the sectors which attracted higher inflows are services, telecommunication, construction activities and computer software & hardware. According to Ernst and Young, foreign direct investment in India in 2010 was $44.8 billion, and in 2011 experienced an increase of 25% to $50.8 billion and the leading sources of FDI are Mauritius, Singapore, the US and the UK

1.2 FDI IN INDIAN MULTI BRAND RETAIL SECTOR

The retail sector of India is vast, self organized accounting 96 percent of the total retail trade, handles about $250 billion every year and is expected by veteran economists to reach to $660 billion by the year 2015. It contributes about 22% to the national GDP, employs 8% of workforce after the agriculture sector and is growing at the rate of 15-20% every year. In 1997, FDI in cash and carry wholesale trading was first permitted, to the extent of 100 percent, under the Government approval route. It was brought under the automatic route in 2006 and between April, 2000 to March 2010, FDI inflows of nearly USD 1.8 billion (INR 7,799 crore) were received. In 2006, FDI in single-brand retailing was permitted to the extent of 51 percent. Since then, a total of 94 proposals have been received till May 2010, of which 57 proposals were approved. An FDI inflow of nearly USD 194 million (INR 900 crores) was received between April 2006 and March 2010, comprising 0.21 percent of the total FDI inflows during the period, under the category of single brand retailing. In July 2010, the Department of Industrial Policy and Promotion (DIPP) had put up a discussion paper proposing FDI in multi-brand retail. In July 2011, a Committee of Secretaries (CoS) had cleared the proposal to allow upto 51% FDI in multi-brand retail, which has been approved by the Union Cabinet in November 2011, albeit with following few riders.

a. Foreign retailers will have 51% equity interest. This means they can control the Indian operations and consolidate the financials with the parent company. All kinds of transfer pricing will be possible which will not be transparent in India. Investments can be made without accounting for losses in the parents' books, in the year incurred (it can be classified as investment in the books for a period of time).

b. The minimum amount fixed for foreign investment is $100 million over Rs 500 crores at today's exchange rates. By definition, the policy is designed in favour of the big guys. In reality, the big foreign retailers will invest billions to take over a ready market, as they have done in other countries. With global sales in the hundreds of billions of dollars, and with unlimited access to capital, even the sky is not the limit for what they can invest.

c. The foreign retailer can purchase locally all agricultural produce, including fruits and vegetables, pulses, fresh poultry, fishery and meat products, and sell them unbranded in their stores.

d. The policy says that at least 50% of the investment must be in "back-end infrastructure" like warehouses, truck fleet, roads etc.

e. The policy recommendation stipulates at least 30% of the procurement of manufactured and processed products should be sourced from "small industry".

f. All compliance is supposed to be through self certification of the foreign retailers. They are supposed to maintain all records.

g. The policy states that retail locations should be restricted to cities with one million plus population. This is to protect the smaller cities and rural areas from the predatory practices of the foreign retailers.

h. The government is retaining the first right to procure agricultural produce.

This policy statement would provide opportunities for sustainable growth and development in India.

0.2 WIDENING COMSUMER PURCHASE CHOICE

This policy statement would envisage establishment of different international brand outlets, hyper or super markets, shopping malls and departmental stores. This is also due to india's growing population, urbanization, economic prosperity and transformation in consumption pattern. Foreign brands can be seen in garments (Hugo Boss, Marks & Spencer, Benetton, Lacoste, Mango, Louis Vuitton, Givo etc.), telecome industry (Samsung, Nokia, Vodafone, Sony Ericson), spots articles (Reebock, Nike, Addidas, Cartire), soft drinks (Pepsi, Coca Cola), motor industry (Honda, Kawasaki, Suzuki) in fast food industry (MC Donald) and many more. Some companies also entered as joint venture with some Indian companies specially in insurance industry (TATA AIG, Birla Sun Life Insurance). Recently, Illinois-based firm, Kitchen Holding Company LLC renamed as World Kitchen (India) has announced setting of retail outlets selling kitchenware brands like Corelle, Corningware and Pyrex cutlery. Italian luxury major Canali has entered into a 51:49 joint venture (JV) with Genesis Luxury Fashion for the distribution of Canali-branded products in India. Germany-based Metro AG is planning to invest an additional Rs 560 crore (US$ 112.12 million) in 2012 to set up eight wholesale stores in India. Mukesh Ambani-controlled Reliance brands is expected to bring British shirt brand Thomas Pink to Indian apparel market. Australian bakery cafe chain Muffin Break is planning to open 40 outlets in the next two years. Global retail giants such as Wal-Mart, Tesco and Carrefour have opened independent multi-brand retail outlets in India. With such Govt. policy initiatives, Indian consum-

ers can have the taste of world class brand which earlier was not available.

1.4 IMPROVEMENT IN LOGISTIC INFRASTRUCTURE

Logistic infrastructure especially in agriculture is vital for efficient market mechanism and ensuring better prices to farming community. It includes infrastructure facilities like agricultural produce markets, sub yards rural periodic markets, storage & warehousing facilities, roads, transport vehicles, grading, communication and post harvest technology which is poor in India. The research studies revealed that due to sparsely network of regulated markets, a farmers on an average gets 8 to 10 per cent low price. Lack of inadequate scientific storage facilities cause heavy losses to farmers in terms of huge wastage of quantity and quality of crops in general and of fruits and vegetables in particular.

Seasonal fluctuations in prices are aggravated in the absence of these facilities. The total storage capacity available at the end of 2010 of CWC, SWC, and FCI is about 75 million tones against the requirement of 150 MT. The present 5274 cold storage with a total capacity of 24.31 million tones is sufficient for only 12 percent of the total production of fruits and vegetables. The number of Reefer Vans/ Containers have increased from 431 in 2001 to 3711 during 2010 but the number is less keeping the need for transportation of perishable commodities from one area to another and for export marketing. Low network of village roads of about 26.50 lakh Km. result that producer of the tribal areas and perishable farm products are still confined to village markets for sale of their produce for want of surfaced roads and sufficient means of transportation. Though the country offers vast potential for establishing agro-processing units like for oilseeds, foodgrains and sugarcane, yet their availability in the number of State is almost negligible. FDI in multi –brand retail markets will attract investment by MNCs in these areas which will guarantee better prices to farmers and in long run enhanced agriculture production which eventually would reduces food inflation

1.5 IMPROVEMENT IN UNORGANISED RETAILING

In India 97 percent of unorganized retailing is in the form of local kirana shops, owner-operated general stores, paan/beedi shops, convenience stores, hand cart and street vendors, etc. These retailers lack the deep pockets and in-depth field expertise required to be on a par with global models. However, the presence of foreign retailers through joint ventures and other means would speed up the process of transforming India's retail trade. These small stores have started modernizing and began to offer customers quick doorstep delivery and even credit extensions to build loyal customer base.

1.6 JOB CREATION

Despite predictions from some analysts that millions of jobs would be lost due to FDI in retail, it may in fact be the other way around. With the entry of branded retailers, the market will increase, creating additional employment of over 13 million jobs in retail and other tertiary sectors. The vacancies would be from the entry to senior management level. Career in retail sector can be developed as store manager, retail managers, retail buyers, retail design/visual merchandise, merchandise planning and product developers. Given their professional approach, Bharti-Wal-Mart collaboration, which has joined forces with state governments to open training and development centers in Amritsar, Delhi and Bangalore, preparing local youth for jobs in retail. Training is entirely free and more than 5,600 local youth have already been trained. Several institutes in India including Birla Institute of Management Technology in New Delhi, RPG Institute of Retail Management, Indian Retail School are offering various courses associated with retail management.

1.7: IMPROVED ICT APPLICATIONS

Improved technology in the sphere of processing, grading, handling & packaging of goods and further technical developments in areas like electronic weighing, billing, barcode scanning etc. would help the customers The other forms of visible retail technology is:

a. Location Aware Apps: Helps in finding products in nearby stores will also flourish.

b. Predictive Analytics: Adding data sources like social networks to better predict trends .

c. Biometric Authentication: It will minimize retail cost in long run.

d. QR Codes: The printing of QR Codes on shelf-labels so consumers armed with smartphones can access detailed information.

e. Mesh Networks: This is done to tightening retail supply chain using tags that are getting cheaper.

f. In-Memory Database: With integration of software with hardware, memory continues to be cheap, so moving as much data into faster memory to make optimum decisions.

g. Cloud Computing:It is utility computing regardless of where the resources are located (private, public, hybrid).

h. Augmented Reality: The software libraries to support augmented reality apps basically to supplement advertising.

i. NFC Payment: The technology has been ready for years, but until recently there haven't been big sponsors. Now we have Google and Isis with competing approaches. This will take-off, but it will take a while for all stores to be retrofitted with readers.

j. Big Data: Big Database system would help retailers to move from segments to individuals and achieve one-to-one marketing.

k. Video Analytics: More information about the customer by watching how they shop.

1.8 IMPACT ON REAL-ESTATE DEVELOPMENT

Retail is closely dependant on real estate as any retailer will require substantial spaces for setting up business. The real estate in India is getting further facelift due to the demand of high-end retail malls and people's changing perception towards an enjoyable shopping experience.FDI in multi-brand retail sector would lead to an an inflow of new entrants in the sector which would broaden the addressable market and pave the entry of many fashion and lifestyle brands into one of the world's largest untapped markets. As per a report by CII-Boston Consulting Group, the current size of organised retail in India is estimated close to USD 28 billion, about 6-7 per cent of total retail. It is expected to be around USD 260 billion by 2020.With an eye on future, realty major DLF is expected to invest up to Rs 3,000 crore over the next five years to develop shopping malls (around 4 million square feet of retail space) as it expects heightened activity with the government approving 51 per cent foreign direct investment in multi-brand retail and 100 per cent in single brand. Even Unitech is likely to invest up to Rs 4,000 crore to develop 13 shopping malls over the next four years.

CONCLUSION

The introduction of FDI in multi-brand retail trading would benefit the consumers, producers (farmers and small & medium enterprises and likely to generate significant employment. To optimize national interest, it is suggested to have a calibrated approach for introducing FDI in the retail sector in terms of the percentage and minimum capitalization requirements, distinction in approach for food & non-food sector, widening the scope to include other sectors such as non-banking financial company & telecom , utilization of 50% of the FDI for back end nfrastructure and imposing a requirement to purchase 30% of the goods from SMEs. Further, regulatory framework is needed to ensure that large retailers are not able to dislocate small retailers by unfair means & safeguarding fiscal and social aspects of the retail sector, availability of cheap finance for improving & upgrading infrastructure for small retailers and formation of a Model Central Law to monitor FDI in retail sector.

REFERENCES

AMIC Infoseries – 8 (2012)` FDI in Multi-Brand Retailing: Economic Compulsions or Political Gains' Agricultural Market Intelligence Centre,Department of Agricultural Economics.Kerala Agricultural University,Thrissure. | Anjan, Ghosh; Ray Subrata and Shah,Kinjal (2011), ` Indian Retail Industry: An Update | Kavaljit Singh(2011)`The Pitfalls of FDI in Multibrand Retailing in India' Briefing paper. | Relaxation Of FDI Norms For The Indian Retail Sector', Albeit Continues To Face Political Roadblocks ,Jcra.www.icra.in | Report on CII Perspective (2012)` Introducing FDI in Multi Brand Retail Trading', Confederation of Indian Industry,New Delhi,www.cii.in | The Economic Times dated July 30,2010,`Open the Doors to Organised Retail',Kpmg.com/in



Sara Publishing Academy
GLOBAL RESEARCH ANALYSIS
Multi-Subject Journal

Editor,
GLOBAL RESEARCH ANALYSIS
3, SUHANA, Nr. Ruby Apartment,
B/h NID, Rajnagar Circle, Paldi, Ahmedabad - 380007

Printed at Unique Offset, Novatsing Rupam Estate, Opp. Abhay Estate, Tavdipura, Shahibaug, Ahmedabad

Designed By : AdVoice Inc. +91 9824484447