

**SHRI RAM COLLEGE,
MUZAFFARNAGAR**

**DEPARTMENT OF BUSINESS
ADMINISTRATION**

SATURDAY TEA CLUB FILE

SESSION: 2016-17

Saturday Tea Club

Department of Business Administration

Shri Ram College, Muzaffarnagar

Faculty Development

Faculty development has as its goal continued renewal and growth of the faculty in all facets of their professional lives.

It is the purpose of the faculty development program to provide resources, which will help faculty to develop as scholars, to publish, to share insights both within the community and at professional conferences, and to improve their work in the classroom

Faculty Development Program Objectives

1. Maintain and enhances faculty effectiveness
2. Help faculty fulfill academic responsibilities
3. Ensure satisfactory adjustments to changing environments in instruction and within disciplines

NOTICE

Faculty of Business Administration

All the faculty members are hereby informed that “**Saturday Tea Club**” will be organized from this week. So, all the faculties are requested to prepare their topics for the same. Further they are advised to give detail of their topics by tomorrow.


The following order will be followed for presentation.

That particular order will be followed after completion as it is.

- | | |
|--------------------------|---------|
| 1. Dr. Saurabh Mittal | Week-1 |
| 2. Dr. Aditya Gautam | Week-2 |
| 3. Dr. Pankaj Kumar | Week-3 |
| 4. Dr. Himanshu Verma | Week-4 |
| 5. Dr. Pankaj Kaushik | Week-5 |
| 6. Dr. Pragati Saxena | Week-6 |
| 7. Mr. Vivek Kumar Tyagi | Week-7 |
| 8. Mr. Rajeev Rawal | Week-8 |
| 9. Ms. Shruti Mittal | Week-9 |
| 10. Mr. Ajay Chauhan | Week-10 |
| 11. Mr. Ankur Tyagi | Week-11 |
| 12. Mr. Kapil Dev Dhiman | Week-12 |
| 13. Ms. Neha Singh | Week-13 |
| 14. Mr. Amit Bhatnagar | Week-14 |
| 15. Mrs. Heena Haroon | Week-15 |
| 16. Dr. Saurabh Mittal | Week-16 |

17. Dr. Aditya Gautam	Week-17
18. Dr. Pankaj Kumar	Week-18
19. Dr. Himanshu Verma	Week-19
20. Dr. Pankaj Kaushik	Week-20
21. Dr. Pragati Saxena	Week-21
22. Mr. Vivek Kumar Tyagi	Week-22
23. Mr. Rajeev Rawal	Week-23
24. Ms. Shruti Mittal	Week-24
25. Mr. Ajay Chauhan	Week-25
26. Mr. Ankur Tyagi	Week-26
27. Mr. Kapil Dev Dhiman	Week-27
28. Ms. Neha Singh	Week-28
29. Mr. Amit Bhatnagar	Week-29
30. Mrs. Heena Haroon	Week-30

Will be the coordinator of the activity and he is advised to prepare all related records of the same.



Dr. Saurabh Mittal

Head, Faculty of Business Administration

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Ramesh

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Book Keeping

By : Dr. Saurabh Mittal

06-08-2016

About the Topic : The following key points were discussed during the session:

BOOK KEEPING

Bookkeeping involves the recording, on a regular basis, of a company's financial transactions. With proper bookkeeping, companies are able to track all information on its books to make key operating, investing, and financing decisions.

Bookkeepers are individuals who manage all financial data for companies. Without bookkeepers, companies would not be aware of their current financial position, as well as the transactions that occur within the company.

Importance of Bookkeeping

Proper bookkeeping gives companies a reliable measure of their performance. It also provides information to make general strategic decisions and a benchmark for its revenue and income goals. In short, once a business is up and running, spending extra time and money on maintaining proper records is critical.

Many small companies don't actually hire full-time accountants to work for them because of the cost. Instead, small companies generally hire a bookkeeper or outsource the job to a professional firm. One important thing to note here is that many people who intend to start a new business sometimes overlook the importance of matters such as keeping records of every penny spent.

The difference between bookkeeping and accounting is as follows:-

1. Bookkeeping is concerned with the recording of financial transactions whereas accounting involves recording, classifying and summarizing financial transactions.

2. Bookkeeping is clerical in nature and usually is the junior staff performs this function whereas accounting requires skills of accountant and knowledge of various accounting policies.

3. The Bookkeeping is the base for accounting. Accounting starts where the bookkeeping ends and is thus broader in scope than bookkeeping.

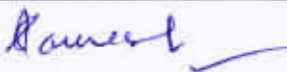
4. Bookkeeping is in accordance with the accounting concepts and conventions. Whereas, the accounting methods and procedures for analyzing and interpreting the financial reports may vary from entity to entity.

5. Financial statements do not form part of bookkeeping. Thus, these are prepared from the accounting process.

6. The accounting reports help in ascertaining the financial position of an entity, however not bookkeeping records.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking the procedure of book keeping.



Dr. Saurabh Mittal

Head, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : ABC Analysis

By : Dr. Aditya Gautam

13-08-2016

About the Topic : The following key points were discussed during the session:

ABC analysis

ABC analysis is an inventory categorization technique. ABC analysis divides an inventory into three categories—"A items" with very tight control and accurate records, "B items" with less tightly controlled and good records, and "C items" with the simplest controls possible and minimal records.

The ABC analysis provides a mechanism for identifying items that will have a significant impact on overall inventory cost, while also providing a mechanism for identifying different categories of stock that will require different management and controls.

The ABC analysis suggests that inventories of an organization are not of equal value. Thus, the inventory is grouped into three categories (A, B, and C) in order of their estimated importance.

'A' items are very important for an organization. Because of the high value of these 'A' items, frequent value analysis is required. In addition to that, an organization needs to choose an appropriate order pattern (e.g. 'just-in-time') to avoid excess capacity. 'B' items are important, but of course less important than 'A' items and

more important than 'C' items. Therefore, 'B' items are intergroup items. 'C' items are marginally important.

ABC analysis categories:

There are no fixed thresholds for each class, and different proportions can be applied based on objectives and criteria. ABC Analysis is similar to the Pareto principle in that the 'A' items will typically account for a large proportion of the overall value, but a small percentage of the number of items.

Examples of ABC class are

- 'A' items – 20% of the items accounts for 70% of the annual consumption value of the items
- 'B' items – 30% of the items accounts for 25% of the annual consumption value of the items
- 'C' items – 50% of the items accounts for 5% of the annual consumption value of the items

Following queries were raised by the faculty members:

- Dr. Pankaj Kaushik asked the ideal ratio for A, B and C category.

<p><i>Saurabh</i> Dr. Saurabh Mittal Head, Faculty of Business Administration</p>	<p><i>Aditya</i> Dr. Aditya Gautam Professor, Faculty of Business Administration</p>
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Faculty of Business Administration

Minutes of “Saturday Tea Club”

Topic : Perception

By : Pankaj Kumar

20-08-2016

About the Topic : The following key points were discussed during the session:

Perception is an intellectual process of transforming sensory stimuli to meaningful information. It is the process of interpreting something that we see or hear in our mind and use it later to judge and give a verdict on a situation, person, group etc.

It can be divided into six types –

- **Of sound** – The ability to receive sound by identifying vibrations.
- **Of speech** – The competence of interpreting and understanding the sounds of language heard.
- **Touch** – Identifying objects through patterns of its surface by touching it.
- **Taste** – The ability to receive flavor of substances by tasting it through sensory organs known as taste buds.
- **Other senses** – They approve perception through body, like balance, acceleration, pain, time, sensation felt in throat and lungs etc.
- **Of the social world** – It permits people to understand other individuals and groups of their social world. Example – Priya goes to a restaurant and likes their customer service, so she will perceive that it is a good place to hang out and will recommend it to her friends, who may or may not like it. Priya’s perception about the restaurant is good.

Perceptual Process

Perceptual process are the different stages of perception we go through. The different stages are –

- Receiving
- Selecting
- Organizing
- Interpreting

Receiving

Receiving is the first and most important stage in the process of perception. It is the initial stage in which a person collects all information and receives the information through the sense organs.

Selecting

Selecting is the second stage in the process. Here a person doesn't receive the data randomly but selectively. A person selects some information out of all in accordance with his interest or needs. The selection of data is dominated by various external and internal factors.

- **External factors** – The factors that influence the perception of an individual externally are intensity, size, contrast, movement, repetition, familiarity, and novelty.
- **Internal factors** – The factors that influence the perception of an individual internally are psychological requirements, learning, background, experience, self-acceptance, and interest.

Organizing

Keeping things in order or say in a synchronized way is organizing. In order to make sense of the data received, it is important to organize them.

We can organize the data by –


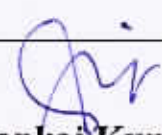
- Grouping them on the basis of their similarity, proximity, closure, continuity.
- Establishing a figure ground is the basic process in perception. Here by figure we mean what is kept as main focus and by ground we mean background stimuli, which are not given attention.
- Perceptual constancy that is the tendency to stabilize perception so that contextual changes don't affect them.

Interpreting

Finally, we have the process of interpreting which means forming an idea about a particular object depending upon the need or interest. Interpretation means that the information we have sensed and organized, is finally given a meaning by turning it into something that can be categorized. It includes stereotyping, halo effect etc.

Following queries were raised by the faculty members:

- Dr. Pragati Saxena raised the point that what is the difference between perception for individual and for organisational employees.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pankaj Kumar Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Tax Avoidance and Tax Planning

By : Dr. Himanshu Verma

27-08-2016

About the Topic : The following key points were discussed during the session:

Tax avoidance:

Tax avoidance is the use of legitimate and legal methods to reduce one's tax liability.

Objectives Of Tax Avoidance

The purpose of tax avoidance is much the same as tax evasion. Taxpayers use various methods of tax avoidance to minimise the amount of taxes they are liable to pay. The important difference lies in the means of achieving this objective, as well as the potential consequences.

Methods Of Tax Avoidance

There are many ways to reduce taxable income and minimise one's tax burden which are completely legal and above-board. Some methods include:

- Making use of tax deductions and credits to reduce your taxable income. These include various business expenses, tuition costs, medical expenses, and charitable donations.
- Making use of tax deferral plans to delay the payment of taxes. An example is an individual retirement account (IRA), for which taxes on the invested funds are only paid when the funds and the corresponding interest payments are withdrawn.

- Using employee retirement plans to protect revenue from being taxed.
- Becoming a tax resident or citizen of a low-tax jurisdiction. This can be a highly effective way to optimise and minimise taxes, and is often used by US citizens as a way to renounce their US citizenship to stop paying taxes in the States.
- Making use of different tax-efficient financial vehicles such as private companies, trusts, foundations etc. The benefits can be maximised if these financial structures are formed in tax-friendly offshore jurisdictions.
- Gifting your wealth to your heirs before you die so as to reduce the amount of estate tax they will have to pay. There are also other effective estate planning methods to reduce taxes, such as using tax-efficient trusts.

Consequences Of Tax Avoidance

As long as the tax avoidance methods which are used are clearly within the bounds of the law, there are no real negative consequences of tax avoidance. However, you should be incredibly careful when taking measures to avoid taxes to ensure that they are all legitimate and fully comply with the tax laws in your given jurisdiction. There is often a fine line between legitimate tax avoidance techniques, and illegal tax evasion.

Tax planning

Tax planning” usually refers to a more intelligent, wholistic and long-term strategy for optimising and reducing taxes. Tax planning makes use of various legitimate tax avoidance methods in an integrated and structured way. It involves considering various aspects of your financial situation and finding the right vehicles and solutions to reduce your overall tax burden. Methods include:



- Acquiring dual citizenship and/or permanent residence in a tax-efficient jurisdiction.
- Using multiple financial vehicles that reduce taxes such as offshore companies, asset protection trusts etc...
- Considering various tax-efficient retirement funds, investments, offshore accounts, and other structures.

- Evaluating your entire asset portfolio with the help of a tax expert who can help you to create an intelligent and comprehensive tax planning strategy.

Effective tax planning has the benefit of being comprehensive, as it takes the entire picture into consideration. It doesn't just look at individual, haphazard ways to avoid taxes. Rather, the intention is to come up with a multi-faceted and long-term strategy to consistently reduce your overall tax liability. Good tax planning is also considered to be the most morally sound and safest option available for reducing taxes.

Following queries were raised by the faculty members:

- Mr. Kapil Dev Dhiman asked if Tax Avoidance is ethical or not.
- Ms. Neha Singh raised the query if tax evasion is legal or not.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Himanshu Verma Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Motivation

By : Dr. Pankaj Kaushik

17-09-2016

About the Topic : The following key points were discussed during the session:

Motivation can be described as the internal force that impacts the direction, intensity, and endurance of a person's voluntary choice of behavior. It consists of

- **Direction** – focused by goals.
- **Intensity** – bulk of effort allocated.
- **Persistence** – amount of time taken for the effort to be exerted.

Example – A team leader encourages team members to work efficiently.

Features of Motivation

Motivation is an internal feeling, that is, it defines the psychological state of a person. It is a continuous process and we should make sure that it is not disturbed. A person should be encouraged completely.

Motivation consists of three interacting and dependent elements –

- **Needs** – The requirements or deficiency which is created whenever there is physiological imbalance.
- **Drives** – The various camps or events organized to motivate the employees and give them new opportunities.
- **Incentives** – Employees need to be rewarded for their nice work in order to keep them encouraged.

Importance of Motivation

We need to motivate employees because of the following reasons –

- Motivated employees are more quality oriented.
- Highly motivated employees are more productive as compared to other employees.
- It helps in achieving three behavior dimensions of human resource namely
 - Candidates must be attracted not only to join but also remain in the firm.
 - Employees must perform tasks in a dependable manner.
 - Employees should be creative, spontaneous and innovative at work.

Maslow's Hierarchy of Needs Theory

This theory was produced in order to answer the question "What motivates an individual". Every second need comes to force when the first need is satisfied completely. Maslow explained the hierarchy of needs by grouping them into two: deficiency needs and growth needs.

Physiological Needs

Every individual needs to take care of the basic requirements required to sustain. These requirements include food to eat, clothing to wear and shelter to live in. These necessities are relatively independent of each other but are finite.

Safety Needs

Everybody wants to stay in a protected environment with minimal danger so that they can have a peaceful life. Safety needs basically include protection from physiological danger like accident and having economic security like bank accounts, health insurance

In an enterprise, it includes job security, salary increment, etc. The managerial practice to satisfy this involves offering pension scheme, provident fund, gratuity etc.

Social Needs

We have all heard that man is a social animal, we want to be there with those people where we are loved and we are accepted as we are; nobody wants to be judged. This is a common requirement every human desires.

This theory helps managers to think about encouraging their employees by identifying employee needs. In short, it presents motivation as constantly changing force, expressing itself to the constant need for fulfilment of new and higher levels of needs.

Esteem



Esteem means the typical human desire to be accepted and valued by others. People often involve in a profession or hobby to gain recognition, earn fame and respect. According to Maslow, the needs of humans have strict guidelines - the hierarchies rather than being sharply separated, are interrelated. This means that esteem and the consequent levels are not strictly separated but are closely related.

Self-Actualization

Self-actualization means realizing one's full potential. Maslow describes this as a desire to complete everything that one can, to become the most that one can be.

Following queries were raised by the faculty members:

- Mr. Ajay Chauhan raised the query if Maslow's theory is effective in every situation.
- Ms. Heena Haroon raised the query asking the other factors affecting motivation.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pankaj Kaushik Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Theory X and Theory Y

By : Dr. Pragati Saxena

24-09-2016

About the Topic : The following key points were discussed during the session:

Theory X and Theory Y were first explained by McGregor in his book, "The Human Side of Enterprise," and they refer to two styles of management – authoritarian (Theory X) and participative (Theory Y).

If you believe that your team members dislike their work and have little motivation, then, according to McGregor, you'll likely use an authoritarian style of management. This approach is very "hands-on" and usually involves micromanaging people's work to ensure that it gets done properly. McGregor called this Theory X.

On the other hand, if you believe that your people take pride in their work and see it as a challenge, then you'll more likely adopt a participative management style. Managers who use this approach trust their people to take ownership of their work and do it effectively by themselves. McGregor called this Theory Y.

Theory X

Theory X managers tend to take a pessimistic view of their people, and assume that they are naturally unmotivated and dislike work. As a result, they think that team members need to be prompted, rewarded or punished constantly to make sure that they complete their tasks.

Work in organizations that are managed like this can be repetitive, and people are often motivated with a "carrot and stick" approach.

Performance appraisals and remuneration are usually based on tangible results, such as sales figures or product output, and are used to control staff and "keep tabs" on them.

This style of management assumes that workers:

- Dislike their work.
- Avoid responsibility and need constant direction.
- Have to be controlled, forced and threatened to deliver work.
- Need to be supervised at every step.
- Have no incentive to work or ambition, and therefore need to be enticed by rewards to achieve goals.

According to McGregor, organizations with a Theory X approach tend to have several tiers of managers and supervisors to oversee and direct workers. Authority is rarely delegated, and control remains firmly centralized. Managers are more authoritarian and actively intervene to get things done.

Although Theory X management has largely fallen out of fashion in recent times, big organizations may find that adopting it is unavoidable due to the sheer number of people that they employ and the tight deadlines that they have to meet.

Theory Y

Theory Y managers have an optimistic, positive opinion of their people, and they use a decentralized, participative management style. This encourages a more collaborative, trust-based relationship between managers and their team members.

People have greater responsibility, and managers encourage them to develop their skills and suggest improvements. Appraisals are regular but, unlike in Theory X organizations, they are used to encourage open communication rather than control staff.

Theory Y organizations also give employees frequent opportunities for promotion.

This style of management assumes that workers are:


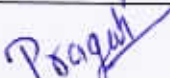
- Happy to work on their own initiative.
- More involved in decision making.
- Self-motivated to complete their tasks.
- Enjoy taking ownership of their work.
- Seek and accept responsibility, and need little direction.
- View work as fulfilling and challenging.
- Solve problems creatively and imaginatively.

Theory Y has become more popular among organizations. This reflects workers' increasing desire for more meaningful careers that provide them with more than just money.

It's also viewed by McGregor as superior to Theory X, which, he says, reduces workers to "cogs in a machine," and likely demotivates people in the long term.

Following queries were raised by the faculty members:

- Mr. Vivek Kumar Tyagi raised the query asking which theory is better.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pragati Saxena Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of “Saturday Tea Club”

Topic : Roles and Responsibilities of Top Level Management

By : Mr. Vivek Kumar Tyagi

01-10-2016

About the Topic : The following key points were discussed during the session:

ROLES AND RESPONSIBILITIES OF TOP LEVEL MANAGERS

Top level management consists of the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Information Officer (CIO), the Managing Director and the Senior Executive as we already discuss in our previous . In a typical commercial company top level managers rule the enterprise. They decide on the direction of an organisation and set major milestones, which departments and teams need to achieve. Let’s take a closer look at the work of these professionals and some of their functions in a modern company.

FUNCTIONS OF TOP LEVEL MANAGEMENT

Top level managers are mainly involved in board meetings. They discuss matters such as long range planning, policy formulation and organisation strategies. These specialists primarily deal with the stability, growth and survival of an organisation. In other words, their main responsibility is to protect the integrity of the company. Here’re some of the functions of top level managers.

Determine organisational objectives – organisational objectives generally relate to profit, survival, business growth, widening sales operations and maintaining good relations with employees, customers and public

Set market policy – advertising and sales techniques, product pricing, commission, training, promotions, appraisal of performance and channel of distribution

Set financial policy – this practice relates to the procurement of sources of finance, funds and management of profits

Operations control – control over middle and lower level management, regarding operations, through budget, quality control and accounting services

ROLES OF TOP LEVEL MANAGERS

Generally, the top level management in an organisation is formed by three individuals – the CEO, COO and CIO. Here's more information about these roles.

CHIEF EXECUTIVE OFFICER (CEO)

This is the highest ranking person in an organisation. The CEO reports only to the board of directors. This manager is responsible for the company's success. CEOs typically need to provide broad leadership and vision rather than deal with the details of operations and performance.

CHIEF OPERATING OFFICER (COO)

The COO is the second-in-command in a company. The duties of this manager include reporting to the CEO, monitoring departments' results as well as measuring performance and efficiency. In many cases COOs ascend to the role of CEOs.



CHIEF INFORMATION OFFICER (CIO)

This professional manages the technical needs of an organisation. CIOs determine how hardware and software is implemented, analyse data security and computing needs of a company.

Top level management makes the key decisions in an organisation. These managers shape the goals, strategies, objectives and projects in a company. They take decisions which affect every person working in the organisation and are ultimately responsible for the failure or success of the enterprise

Following queries were raised by the faculty members:

- Mr. Ankur Tyagi raised the query that what is the core objective of top level managers.
- Ms. Neha Singh raised the query asking about the mode of selection of top level managers.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Vivek Kumar Tyagi Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Computer Storage Devices

By : Mr. Rajeev Rawal

08-10-2016

About the Topic : The following key points were discussed during the session:

There are four types of devices in which computer data can be stored. Discussed below are the same in detail.

Magnetic Storage Devices

The most commonly used storage devices in today's time are magnetic storage devices. These are affordable and easily accessible. A large amount of data can be stored in these through magnetised mediums.

A magnetic field is created when the device is attached to the computer and with the help of the two magnetic polarities, the device is able to read the binary language and store the information. Given below are the examples of magnetic storage devices.

- **Floppy Disk** – Also known as a floppy diskette, it is a removable storage device which is in the shape of a square and comprises magnetic elements. When placed in the disk reader of the computer device, it spins around and can store information. Lately, these floppy disks have been replaced with CDs, DVDs and USB drives
- **Hard Drive** – This primary storage device is directly attached to the motherboard's disk controller. It is integral storage space as it is required to install any new program or application to the device. Software programs, images, videos, etc. can all be saved in a hard drive and hard drives with storage space in terabytes are also easily available now

- **Zip Disk** – Introduced by Iomega, is a removable storage device which was initially released with a storage space of 100 MB which was later increased to 250 and then finally 750 MB
- **Magnetic Strip** – A magnetic strip is attached in the device comprising digital data. The most suitable example for this is a debit card which has a strip placed on one of its sides which stores the digital data

Optical Storage Devices

Such devices used lasers and lights to detect and store data. They are cheaper in comparison to USB drives and can store more data. Discussed below are a few commonly used optical storage devices.

- **CD-ROM** – This stand for Compact Disc – Read-Only Memory and is an external device which can store and read data in the form of audio or software data
- **Blu-Ray Disc** – Introduced in 2006, Blu-ray disk was backup up by major IT and computer companies. It can store up to 25 GB data in a single-layer disc and 50 GB data in a dual-layer disc
- **DVD** – Digital Versatile Disc is another type of optical storage device. It can be readable, recordable, and rewritable. Recordings can be done in such devices and then can be attached to the system
- **CD-R** – It is a readable Compact Disc which uses photosensitive organic dye to record data and store it. They are a low-cost replacement for storing software and applications

Flash Memory Devices

These storage devices have now replaced both magnetic and optical storage devices. They are easy to use, portable and easily available and accessible. They have become a cheaper and more convenient option to store data.

Discussed below are the major flash memory devices which are being commonly used by the people nowadays.

- **USB Drive** – Also, known as a pen drive, this storage device is small in size and is portable and ranges between storage space of 2 GB to 1 TB. It comprises an integrated circuit which allows it to store data and also replace it

- **Memory Card** – Usually attached with smaller electronic and computerized devices like mobile phones or digital camera, a memory card can be used to store images, videos and audios and is compatible and small in size
- **Memory Stick** – Originally launched by Sony, a memory stick can store more data and is easy and quick to transfer data using this storage device. Later on, various other versions of memory stock were also released
- **SD Card** – Known as Secure Digital Card, it is used in various electronic devices to store data and is available in mini and micro sizes. Generally, computers have a separate slot to insert an SD card. In case they do not have one, separate USBs are available in which these cards can be inserted and then connected to the computer



Online Cloud Storage

The term Cloud computing is used to describe the data centers available for users over the Internet where they can save their databases and files. This data can easily be accessed over the internet anytime and anywhere.

This has become a common mode to store data. The largest or the smallest computerized devices can use the online cloud storage to save their data files. This option is also available in mobile phones where a backup of our files and data is being managed.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal asked about the Online Cloud Storage in detail.
- Ms. Shruti Mittal raised the query that what is the difference between memory stick and SD card.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Rajeev Rawal Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : E-Lock

By : Ms. Shruti Mittal

15-10-2016

About the Topic : The following key points were discussed during the session:

An electronic lock (or electric lock) is a locking device which operates by means of electric current. Electric locks are sometimes stand-alone with an electronic control assembly mounted directly to the lock. Electric locks may be connected to an access control system, the advantages of which include: key control, where keys can be added and removed without re-keying the lock cylinder; fine access control, where time and place are factors; and transaction logging, where activity is recorded. Electronic locks can also be remotely monitored and controlled, both to lock and to unlock.

Operations:

Electric locks use magnets, solenoids or motors to actuate the lock by either supplying or removing power. Operating the lock can be as simple as using a switch, for example an apartment intercom door release, or as complex as a biometric based access control system.

There are two basic types of locks:

preventing mechanism and operation mechanism.

Types

1- Electromagnetic lock



2- Electronic strikes

3- Electronic deadbolts and latches

4- Passive electronic lock

Following queries were raised by the faculty members:

- Mr. Vivek Kumar Tyagi raised the query that what is the operation of preventive mechanism.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Ms. Shruti Mittal Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Recent Trends in Auditing

By : Mr. Ajay Chauhan

05-11-2016

About the Topic : The following key points were discussed during the session:

1. HIRING THE RIGHT TALENT

Finding good employees is always a top concern for companies in any industry, especially those who want to stand out, remain relevant, and grow. The data shows us that this will not only be a continuing trend in 2020, but it's a core objective for firms. According to Accounting Today's 2020 "Year Ahead" Survey, the number one concern for accounting firms in 2020 is acquiring and retaining good employees. As the accounting industry becomes more diverse and technology-based, firms are looking for employees who can immediately perform and who are up-to-date on current trends in accounting.

Whether you're a new or existing employee, one of the best ways to set yourself apart and prove you're ready to step up to the challenge of a top concern is by becoming credentialed with a relevant license or certificate in your chosen field. A few options are Certified Public Accountant (CPA), Certified Management Accountant (CMA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), or Enrolled Agent (EA). If you're interested in updating your skillset with a credential, Surgent offers courses to help you pass the exams for all of these designations.

2. INVESTING IN BLOCKCHAIN

Blockchain is a digital ledger of transactions which can be of any value, financial or otherwise. It's reputable for its security through three main points: transparency, immutability, and decentralization. These three points create unique challenges and

implications for external auditors; accounting firms need to be investing in blockchain research and analysis in order to provide the highest level of service to clients utilizing blockchain technology. Several points accounting firms need to consider are:

- Knowing how to assess counterparty risk in the blockchain environment to understand data integrity risks.
- Since data is distributed across all parties of a shared blockchain, parties within that blockchain with a history of data breaches or other data integrity issues increase the risk of data exposure of other companies on the same blockchain.
- If an external auditor plans to rely on a blockchain throughout the audit process, each blockchain the company under audit is party to would need to be independently tested and understood before the information could be used as part of the external audit.
- Blockchains allow auditors to obtain more reliable audit evidence because the evidence is verified by external parties and, due to blockchain's design, is unalterable.
- Verify that risks associated with the operation or participation in a private blockchain are adequately disclosed in the financial statements.
- Be prepared for situations in which the auditors of other companies utilizing the same private blockchain reach a different conclusion regarding the internal control design and effectiveness even though the blockchain system is theoretically identical.

3. DIVERSIFICATION IN CREDENTIALING

The number of CPA candidates dropped substantially from 2017 to 2018, from almost 95,600 to 85,500, the lowest number in the last ten years. However, according to an Accounting Today article, there was an increase in the number of enrollees in Bachelor's and Master's degree accounting programs. Wouldn't an increase in enrollees correspond to an increase in CPA candidates?

Accounting students have a variety of choices when it comes to credentialing outside of the CPA license. There was a record-high number of candidates for the Certified Management Accountant (CMA) exam in the 2018-2019 fiscal year.

Other credentials are becoming more attractive to accounting students who want to specialize in material outside of the CPA Exam or want to go into a field that requires a more diversified skill set. We expect this trend to continue into 2020, with more accounting students vying for CMA, CIA, and CISA credentialing to complement their degrees.

4. CONTINUED TRAINING IN DATA ANALYTICS

Data analytics has been at the forefront of the accounting field for the last twenty years, and despite that long reign, analytics are going to be one of the top trends in accounting in 2020. The reality is that data analytics are used across a variety of accounting functions, and are constantly evolving and improving to meet the needs of the variety of industries employing them to make decisions.

Accountants working in audit need to know how to work with data analytics across clients, and those in industry need to know how to utilize data analytics within their role to ensure continued growth and innovation. Now is the time for current employees and students to evaluate their data analytics skills and figure out ways to ensure they're up to date with the latest changes within the field.

5. EMPLOYEES FAMILIAR WITH INFORMATION SYSTEMS

There's a good chance you took or are taking an Information Systems class as part of your college accounting curriculum, but the data is showing that may not be enough to set you apart when it comes to the real-world applications of information systems within the accounting industry. Having proven technology skills via a degree or certificate is going to be a key consideration for accounting students in 2020.

According to an article in the Journal of Accountancy, the number of non-accounting graduates hired into accounting functions rose 31% in 2018 as the demand for IT skills, particularly in audit, continues to increase. Current employees and students should consider the positive implications of adding information systems skills to their resumes via a certification or license, such as the CISA, or through formal education or training.

6. KNOWLEDGE OF AUTOMATION AND AI

Automation and AI are upending the audit function by significantly reducing the time spent on lower risk, higher data areas. Humans won't physically audit transactional processes nearly as often, but will be more focused on higher-risk,

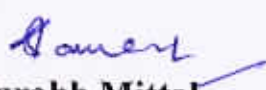

higher skill-level areas of the audit process. Accordingly, accountants need to consider how to ensure automation and AI are doing their job correctly by evaluating the processes taking place at the transactional level, while also coming into the role with the higher skill set necessary to work within the higher risk areas of audit. Auditors also need to evaluate how these technologies will affect decision making at every level of the audit process, taking into account both the benefits and detriments of machine learning.

As these areas develop, it will no longer be necessary for a new staff member to “work their way up” through lower-risk areas to higher risk areas; they’ll need to have the skills necessary to do a more in-depth analysis as soon as they jump into a staff-level role. They also need to be familiar with automation and AI and its role in the audit process in general so they can participate in accurate decisionmaking and help design audit models around current technologies.

2020 is going to be an exciting year for the accounting field. Although once deemed a boring career, accountants are now working with dynamic and experimental technologies, making it a career that offers advancement and fulfillment for those willing to stay on top of current trends. If you’re looking at becoming an accountant or honing your current accounting skills, now may be the perfect time to look into a license that will boost your knowledge, help you grow, and prove to employers you’re ready for 2020.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the query asking about the requirements to be able to do auditing.

 Dr. Saurabh Mittal	 Mr. Ajay Chauhan
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Inflation

By : Mr Ankur Tyagi

12-11-2016

About the Topic : The following key points were discussed during the session:

INFLATION

Inflation exists when money supply exceeds available goods and services. Or inflation is attributed to budget deficit financing. A deficit budget may be financed by the additional money creation. But the situation of monetary expansion or budget deficit may not cause price level to rise

Types of Inflation:

As the nature of inflation is not uniform in an economy for all the time, it is wise to distinguish between different types of inflation. Such analysis is useful to study the distributional and other effects of inflation as well as to recommend anti-inflationary policies.

1- Currency inflation:

This type of inflation is caused by the printing of currency notes.

2- Credit inflation:

Being profit-making institutions, commercial banks sanction more loans and advances to the public than what the economy needs. Such credit expansion leads to a rise in price level.

3- Deficit-induced inflation:

The budget of the government reflects a deficit when expenditure exceeds revenue. To meet this gap, the government may ask the central bank to print additional money. Since pumping of additional money is required to meet the budget deficit, any price rise may be called the deficit-induced inflation.

4- Demand-pull inflation:



An increase in aggregate demand over the available output leads to a rise in the price level.

5- Cost-push inflation:

Inflation in an economy may arise from the overall increase in the cost of production.

Following queries were raised by the faculty members:

- Mr. Ajay Chauhan raised the query that how could the inflation be reduced.

 Dr. Saurabh Mittal	 Mr. Ankur Tyagi
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Values

By : Mr. Kapil Dev Dhiman

19-11-2016

About the Topic : The following key points were discussed during the session:

Values:

Values may be defined as the beliefs that guide judgement in different situations. They represent the basic convictions about what is the right behavior. Social values lay down the standards by which the human behavior is judged. Business values determine what constitutes good business, what objectives business should pursue and whose interests it should serve? To a extent business values reflect the values of the society in which a business enterprise operates. For example, honesty and truth are basic values of our society.

Features:-

1. Values are at the core of personality and a powerful affecting behavior.
2. Values contain judgement element i.e. individual's ideas as to what is right or wrong.
3. Values are fixed, they changes over time.
4. We have hierarchy of values that form our system but everyone does not hold the same values.
5. Values are relatively stable and enduring. This is because of the way in which they are originally learned.

Importance:-

1. Corporate Culture:- An effective value system creates a strong corporate culture which is necessary for high performance and growth in the business.

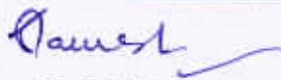

2. Guide to Action:- Business values serve as social guides to decision-making and actions to be taken in the business. These values provide the right answer to the basic question as what is good business? Values are universal in nature and indicate to businessmen the right behavior.

3. Social Responsibility:- Business has social obligations. Business values help to persuade businessmen to discharge their social responsibilities. Business enterprises follow ethical behavior norms to fulfill their responsibilities to different sections of society.

4. Objectives Standards:- Business values serve as objective standards or norms against which the conduct of businessmen and their performance can be judged.

Following queries were raised by the faculty members:

- Ms. Neha Singh raised the query asking about the difference between morals and values.
- Mr. Ankur Tyagi asked about the based values required in the organisation.

 Dr. Saurabh Mittal	 Mr. Kapil Dev Dhiman
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Duties of Auditor

By : Ms. Neha Singh

26-11-2016

About the Topic : The following key points were discussed during the session:

Duties towards the shareholders:

1. Report shareholders about true and fair state of affairs of the company
2. State that balance sheet and profit and loss a/c give all information required by law
3. State that balance sheet and profit and loss a/c agree with the books of account
4. State that balance sheet and profit and loss a/c agree with accounting standards
5. State that he has obtained all the necessary information
6. State whether the company has maintained all books as required by law;
7. State the reasons of qualification in his report
8. State that he has received the audit report on the branch accounts audited by other auditor and how he has dealt with the same in preparing his report
9. Auditor shall state in his report whether:
 - a) The loans taken are properly secured and the terms of loans are not against the interests of the company
 - b) Loans given are shown as fixed deposits and the terms of loans are not against the interests of the company

10. Transactions recorded as book entry are not against the interests of the company
11. Personal expenses of directors have not been charged to revenue a/c of company;
12. The company fulfills the requirements of CARO 2003.

Duties towards Company:

1. **Prospectus:** According to Sec 56, the auditor is required to certify profits or losses, assets & Liabilities and dividend paid etc in the prospectus.
2. **Statutory Report:** Section 165 requires that the auditor has to certify the statutory report.
3. **Public Deposits:** Section 58AA requires the auditor to report about whether the company has followed all rules and guideline of RBI in regard to public deposits or not.
4. **Signature on Audit Report:** Section 229: It is duty of auditor to sign on his report.
5. **Insolvency (Section 488):** If the company wants itself to be declared insolvent, it is duty of auditor to prepare profit and loss a/c for the current period.

Duties towards Government:

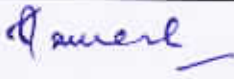

1. **CARO-2003:** The auditor has to report para-wise that the company has fulfilled all the requirements of CARO-2003.
2. **Assist the Investigation u/s 237:** It is duty of auditor to assist the investigation ordered by the CG u/s 237.

Duties towards General Public:

1. His office is of confidence and faith. He must be reliable in all respects.
2. He should reveal all material information regarding the state of affairs of the company to the company as well as to the general public.
3. While issuing prospectus u/s 56, he should see that the prospectus does not include any misleading information or material.

Following queries were raised by the faculty members:

- Mr. Vivek Kumar Tyagi raised the query asking if auditor is liable legally.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Ms. Neha Singh Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Holding Company

By : Mr. Amit Bhatnagar

03-12-2016

About the Topic : The following key points were discussed during the session:

A holding company typically exists for the sole purpose of controlling other companies. Holding companies may also own property, such as real estate, patents, trademarks, stocks, and other assets.

Businesses that are completely owned by a holding company are referred to as "wholly-owned subsidiaries." Although a holding company can hire and fire managers of the companies it owns, those managers are ultimately responsible for their own operations.

Benefits of Holding Companies

Holding companies enjoy the benefit of protection from losses. If a subsidiary company goes bankrupt, the holding company may experience a capital loss and a decline in net worth. However, the bankrupt company's creditors cannot legally pursue the holding company for remuneration.

Consequently, as an asset protection strategy, a parent corporation might structure itself as a holding company, while creating subsidiaries for each of its business lines. For example, one subsidiary may own the parent corporation's brand name and trademarks, while another subsidiary may own its real estate.

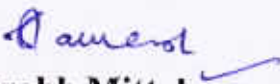

· This tactic serves to limit the financial and legal liability exposure of the holding company (and of its various subsidiaries). It may also depress a corporation's overall tax liability by strategically basing certain parts of its business in jurisdictions that have lower tax rates.

Holding companies can also serve the purpose of protecting an individual's personal assets. With a holding company, those assets are technically held by the corporation, and not by the person, who is consequently shielded from debt liabilities, lawsuits, and other risks.

Holding companies support their subsidiaries by using their resources to lower the cost of much-needed operating capital. Using a downstream guarantee, the parent company can make a pledge on a loan on behalf of the subsidiary. Ultimately, this can help companies obtain lower-interest-rate debt financing than they otherwise would be able to source on their own. Once backed by the financial strength of the holding company, the subsidiary company's risk of defaulting on its debt drops considerably.

Following queries were raised by the faculty members:

- Dr. Himanshu Verma raised the query asking if holding and subsidiary companies have different board members.

 Dr. Saurabh Mittal	 Mr. Amit Bhatnagar
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Recruitment and Selection

By : Ms. Heena Haroon

10-12-2016

About the Topic : The following key points were discussed during the session:

Recruitment is the process in which people are offered selection in an organization. It is when prospective employees are searched for and are then encouraged to apply for jobs within the organization.

This is just one step in the process of employment however it is a long process that involves a series of tasks, starting with an analysis of the job requirements and ending with the appointment of the employee. Specific tasks involved in the process of recruitment include:

- Analyzing job requirements
- Advertising the vacancy
- Attracting candidates to apply for the job
- Managing response
- Scrutinizing applications
- Shortlisting candidates

Recruitment activities are typically performed by Human Resource practitioners, either internally or externally. Internal recruitment sources are promotion, transfers, retrenched employees, contact or references, ex-employees, retired employees, etc. External recruitment sources are recruitment through advertisement, campus recruitment, recruitment by employee exchanges, recruitment by third parties, internet recruitment, unsolicited applicants, etc.

Selection

Selection is the process of identifying an individual from a pool of job applicants with the requisite qualifications and competencies to fill jobs in the organization. This is an HR process that helps differentiate between qualified and unqualified applicants by applying various techniques.

The term 'selection' comes with the connotation of placing the right person in the right job. Selection is the process in which various strategies are employed to help recruiters decide which applicant is best suited for the job. Some activities include:

- Screening
- Eliminating unsuitable candidates
- Conducting an examination (aptitude test, intelligence test, performance test, personality test, etc.)
- Interviews
- Checking references
- Medical tests

KEY DIFFERENCES

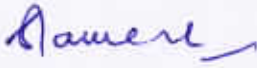

1. Recruitment is the process of finding candidates for the vacant position and encouraging them to apply for it. Selection means choosing the best candidate from the pool of applicants and offering them the job.
2. Recruitment is a positive process aimed at attracting more and more job seekers to apply. Selection is a negative process, rejecting unfit candidates from the list.
3. Of the two, recruitment is relatively simpler. Recruitment has the recruiter paying less attention to scrutinizing individual candidates, whereas selection involves a more thorough examination of candidates where recruiters aim to learn every minute detail about each candidate, so they can choose the perfect match for the job.
4. Recruitment is less time-consuming and less economically demanding, as it only involves identifying the needs of the job and encouraging

candidates to apply for them. Selection involves a wide range of activities, which can be both time-consuming and expensive.

5. In recruitment, communication of vacancy is done so through various sources such as the internet, newspaper, magazines, etc., and distributes forms easily so candidates can apply. During the selection process, assessment is done so through various evaluation stages, such as form submission, written exams, interviews, etc.

Following queries were raised by the faculty members:

- **Dr. Pragati Saxena** raised the query asking about the best way of recruitment.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Ms. Heena Haroon Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Export Assistance

By : Dr. Saurabh Mittal

24-12-2016

About the Topic : The following key points were discussed during the session:

Developing countries have started manufacturing industries only recently. As a result, their cost of production generally tends to be high because of the following reasons:

- (i) Total market availability within the country is small with the result that the economies of large-scale production cannot be reaped.
- (ii) Productivity of labor is low because the level of mechanization as compared to that in the developed countries is low.
- (iii) The cost of production is generally a function of experience, i.e. Learning by Doing. This can be reaped only when the labor employed in manufacturing operations acquires experience over a period of time.
- (iv) Manufacturing units in developing countries, being small and new, have considerably less expertise in the field of international marketing and because the volume of exports is low, the per unit cost of trade promotion expenditure tends to be high.

India has to raise higher resources for development which has to be done through a number of indirect levies which tend to push up the overall cost of production.

Most developing countries have, therefore, resorted to a number of export promotion measures. India has also been providing export assistance to Indian exporters.



However, the WTO Agreement on Subsidies and countervailing duties does not allow specific types of export subsidies. The Government of India is, therefore, removing those export incentives which are not WTO compatible.

New System of Export Assistance:

From 1992, export incentive system in India has been made simple. There are essentially three major incentives. These are: (1) Market-based Exchange Rate; (2) Fiscal Concessions, and (3) Facilities under the Export-Import Policy.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the query that whether the exporter is legally protected in some way.

 Dr. Saurabh Mittal	 Dr. Saurabh Mittal
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : What is the need of Consumer Protection Act

By : Dr. Aditya Gautam

21-01-2017

About the Topic : The following key points were discussed during the session:

- **To shape Consumers-** Indian customers are not well-organised, and vendors exploit them easily.
- **Impart Market Information-** Most of the consumer is clueless, and have no information about the product they are buying and this might cause them losses.
- **Physical Safety-** Some products are adulterated and can hamper consumer health. So, they need to be protected.
- **Avert Monopoly-** Irrespective of different restriction many organisation follows monopoly practice and consumers gets influenced and should be protected.
- **Malpractices-** Company pursues biased trade practices, and unlawful trade practices and this protection plays a crucial role.
- **Misleading advertisement-** Many enterprises, intentionally trick consumers through incorrect or deceptive advertisements. This act will shield consumers from getting exploited.
- **Education Consumers about their Basic Rights-** Most consumers ignore or do not know about their rights. The Consumer Protect Act educates them and secures their rights and interests.

Consumer Protection Act provides Consumer Rights to prevent consumers from fraud or specified unfair practices. These rights ensure that consumers can make better choices in the marketplace and get help with complaints.

1. Right to Safety :

Consumers has the right to be protected against products and services which are hazardous to health, life and property. Quality, Quantity, Reliability and Performance should be assured in the products and services provided by sellers.

2. Right to Get Information: This is an act to give for setting out the practical management of Right to information for citizens to acquire the data under control of public jurisdictions, in order to develop clarity and responsibility in the working of every public authority, the organisation of a central information Commission and State Information.

3. Right to Choose: The meaning of Right to Choose as per the Consumer Protection Act 1986 is 'the right to be assured, wherever possible, to have access to a variety of goods and services at competitive prices'.

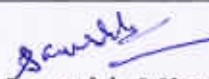
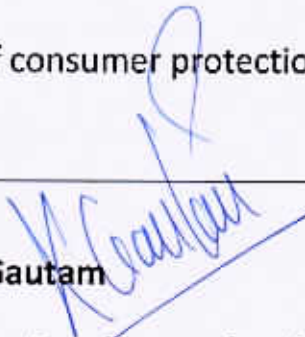
4. Right to be Heard: This right says that the complaints of customers should be understood by the seller. And it also allows them to be heard before the sessions and consumer panels. Right to be heard is one of the rights granted to consumers by the consumer protection act.

5. Right to Seek redressal: Right to seek redressal against illegal trade systems or unfair exploitation of consumers. It also involves the right to a reasonable settlement of the legitimate complaints of the consumer. They should be well aware of their rights and must execute them.

6. Right to Consumer Education: The right to obtain the knowledge and skill to be an acquainted consumer throughout life. Ignorance of consumers, especially of rural consumers, is chiefly accountable for their exploitation. They should be well aware of their rights and must execute them

Following queries were raised by the faculty members:

- Ms. Shruti Mittal asked about the main purpose of consumer protection act

 Dr. Saurabh Mittal	 Dr. Aditya Gautam
Head, Faculty of Business Administration	Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Human Resource Development

By : Dr. Pankaj Kumar

28-01-2017

About the Topic : The following key points were discussed during the session:

Human Resource Development:

HRD is the process of helping people to acquire competencies. In an organizational context HRD "is a process which helps employees of an organization in a continuous and planned way to-

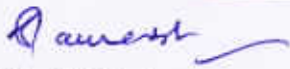

1. Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles.
2. Develop their general capabilities as individuals and discover and exploit their inner potential for their own and/or expected future roles.
3. Develop an organizational culture in which supervisor-subordinate relationships, team work, and collaboration among sub-units are strong and contribute to the professional well-being, motivation, and pride of employees.
4. HRD process is facilitated by mechanisms like performance appraisal, training, organizational development (OD), feedback and counseling, career development, potential development, job rotation and rewards.
5. Employees are continuously helped to acquire new competencies through a process of performance planning, feedback, training, periodic review of performance, assessment of the development needs, and creation of development.

The major aims of HRD may be stated as:

- i. Improve performance of individual on present job
- ii. Improve competence of individual to perform future jobs
- iii. To develop creative abilities and talents.
- iv. To prepare employees for higher level jobs.
- v. To impart new entrants with basic HRD skills and knowledge.
- vi. To develop the potentialities of people for the next level job.
- vii. To aid total quality management.
- viii. To promote individual and collective morale, a sense of responsibility, co-operative attitudes and good relationships.
- ix. To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside.
- x. To ensure smooth and efficient working of the organisation.
- xi. To provide comprehensive framework for HRD.
- xii. To enhance organisational capabilities.
- xiii. To create a climate that enables every employee to discover, develop and use his/her capabilities to a fuller extent in order to further both individual and organisational goals.

Following queries were raised by the faculty members:

- Mr Saurabh Mittal raised the query asking if recruitment affects the human resource development.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pankaj Kumar Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Need of Minimum Wages Act

By : Dr. Himanshu Verma

04-02-2017

About the Topic : The following key points were discussed during the session:

Need of minimum wages act:

Workers with a high unemployment rate in developing countries like India can be exploited by employers because of their existing low bargaining power. In such a case, the worker will earn salaries that are far below the planned amount that will result in the workforce being unable to fulfil their everyday needs.

Development Of The Concept Of Minimum Wage

The living wage is specified as a level of income for a worker by the Constitution of India that can ensure a minimum standard of living that includes good health , comfort, education, dignity and can cater for any emergency. In view of the willingness of the employer to pay, the idea of a decent wage has been introduced into the constitution, which is a standard of wage that is not only capable of keeping a certain work, but can be improved depending on the ability of the employer to pay.

The Central Consultative Committee appointed a working committee on fair wages during its November 1948 session in order to set the concept of fair wages in motion. To provide the basic needs of the employee and other requirements such as

childcare, medical care and a level of comfort, this committee introduced the Minimum Wage concept.

In order to give both the central and state governments of India a degree of competence in the fixing and payment of salaries, the minimum wages Act of 1948 was implemented. Forced labour is any salary by the employee at the mandated minimum wage rate. Wage boards are responsible for annually evaluating the minimum salaries so that they can include basic necessities such as food, housing, schooling, clothes, medical care, and entertainment for the minimum needs of a family of four.

Objectives Of The Minimum Wages Act

- To ensure that the employee can have the basic
- To ensure that the employee can have the basic physical needs, good health and a level of comfort.
- To ensure a secure and adequate living wage for all laborers in the interest of the public.
- To ensure that the employee has enough to provide for his family.
- Ensuring a decent life standard that pertains to the social comfort of the employee.

Requirements For Review And Fixation Of Minimum Wage

The requirements for the review and fixation of a minimum wage is under Section 5 of the 1948 minimum wage Act.



The rule provides that:

□ Committees and sub-committees shall be appointed by the appropriate government as it deems fit; to inform it on the possible review and fixation of the minimum wage rate.

□ The government shall notify the persons concerned by making a publication in one of the national dailies and specify a date not later than a period of two months from the publication date before the commencement of the hearing on the matter.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking if minimum wages act is successful in recent trends.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Himanshu Verma Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Integrated Marketing Communication

By :Dr. Pankaj Kaushik

11-02-2017

About the Topic : The following key points were discussed during the session:

Integrated Marketing Communications is a simple concept. It ensures that all forms of communications and messages are carefully linked together.

At its most basic level, Integrated Marketing Communications, or IMC, as we'll call it, means integrating all the promotional tools, so that they work together in harmony.

Promotion is one of the Ps in the marketing mix. Promotions has its own mix of communications tools.

All of these communications tools work better if they work together in harmony rather than in isolation. Their sum is greater than their parts – providing they speak consistently with one voice all the time, every time.



This is enhanced when integration goes beyond just the basic communications tools. There are other levels of integration such as Horizontal, Vertical, Internal, External and Data integration. Here is how they help to strengthen Integrated Communications.

- **Horizontal Integration** occurs across the marketing mix and across business functions – for example, production, finance, distribution and communications should work together and be conscious that their decisions and actions send messages to customers.

- While different departments such as sales, direct mail and advertising can help each other through Data Integration. This requires a marketing information system which collects and shares relevant data across different departments.
- **Vertical Integration** means marketing and communications objectives must support the higher level corporate objectives and corporate missions.
- Meanwhile Internal Integration requires internal marketing – keeping all staff informed and motivated about any new developments from new advertisements, to new corporate identities, new service standards, new strategic partners and so on.
- **External Integration**, on the other hand, requires external partners such as advertising and PR agencies to work closely together to deliver a single seamless solution – a cohesive message – an integrated message.

Following queries were raised by the faculty members:

- Dr. Pankaj Kaushik raised the query asking about the factors affecting the external integration.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pankaj Kaushik Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : ERG Theory of Motivation

By : Dr. Pragati Saxena

18-02-2017

About the Topic : The following key points were discussed during the session:

To bring Maslow's need hierarchy theory of motivation in synchronization with empirical research, Clayton Alderfer redefined it in his own terms. His rework is called as ERG theory of motivation. He recategorized Maslow's hierarchy of needs into three simpler and broader classes of needs:

- **Existence needs-** These include need for basic material necessities. In short, it includes an individual's physiological and physical safety needs.
- **Relatedness needs-** These include the aspiration individual's have for maintaining significant interpersonal relationships (be it with family, peers or superiors), getting public fame and recognition. Maslow's social needs and external component of esteem needs fall under this class of need.
- **Growth needs-** These include need for self-development and personal growth and advancement. Maslow's self-actualization needs and intrinsic component of esteem needs fall under this category of need.

Implications of the ERG Theory

Managers must understand that an employee has various needs that must be satisfied at the same time. According to the ERG theory, if the manager concentrates solely on one need at a time, this will not effectively motivate the employee. Also, the frustration- regression aspect of ERG Theory has an added effect on workplace motivation. For instance- if an employee is not provided with growth and advancement opportunities in an organization, he might revert to the

relatedness need such as socializing needs and to meet those socializing needs, if the environment or circumstances do not permit, he might revert to the need for money to fulfill those socializing needs. The sooner the manager realizes and discovers this, the more immediate steps they will take to fulfill those needs which are frustrated until such time that the employee can again pursue growth.

Value of ERG theory for managers



- Growth needs (development of competence and realization of potential)
- Relatedness needs (satisfactory relations with others, including co-workers)
- Existence needs (physical well-being)

While Maslow and Alderfer share certain concepts, the ERG theory differs from Maslow's in the following three ways:

- Unlike Maslow's hierarchy, the ERG theory allows for different levels of needs to be pursued simultaneously.
- The ERG theory allows the order of the needs be different for different people.
- The ERG theory acknowledges that if a higher level need remains unfulfilled, the person may regress to lower level needs that appear easier to satisfy. This is known as the frustration-regression principle.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking if ERG theory is followed in organisational climate.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Dr. Pragati Saxena Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Product Mix

By : Mr. Vivek Kumar Tyagi

25-02-2017

About the Topic : The following key points were discussed during the session:

Product Mix:

The Product Mix also called as Product Assortment, refers to the complete range of products that is offered for sale by the company. In other words, the number of product lines that a company has for its customers is called as product mix.

Product Line refers to the list of all the related products manufactured or marketed by a single firm. The number of products within the product line are called as the items, and these might be similar in terms of technology used, channel employed, customer's needs and preferences or any other aspect. For example, the product lines of ITC are FMCG, Hotels, Paper Board and Packaging, Agribusiness.

The product mix has four dimensions: Breadth, Length, Depth, and Consistency. The Breadth of a product mix shows the different kinds of product lines that firm carries. Simply, it shows the number of items in the product line. This dimension of the product mix represents the extent to which the activities of the firm are diversified.

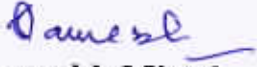

Length of a Product mix refers to the number of items in the product mix

Depth of a product mix refers to the variants of each product in the product line

Consistency of a product mix shows the extent to which the product lines are closely related to each other in terms of their end-use, distribution requirements, production requirements, price ranges, advertising media, etc.

Following queries were raised by the faculty members:

- Mr. Ankur Tyagi asked if product line is also followed in product mix.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Vivek Kumar Tyagi Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Plant Layout

By : Mr. Rajeev Rawal

04-03-2017

About the Topic : The following key points were discussed during the session:

Plant layout is the most effective physical arrangement, either existing or in plans of industrial facilities i.e. arrangement of machines, processing equipment and service departments to achieve greatest co-ordination and efficiency of 4 M's (Men, Materials, Machines and Methods) in a plant.

Layout problems are fundamental to every type of organization/enterprise and are experienced in all kinds of concerns/undertakings. The adequacy of layout affects the efficiency of subsequent operations.

Need of plant layout:

Many situations give rise to the problem of plant layout. Two plants having similar operations may not have identical layout. This may be due to size of the plant, nature of the process and management's caliber. The necessity of plant layout may be felt and the problem may arise when.

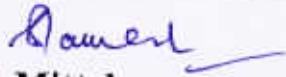

- (i) There are design changes in the product.
- (ii) There is an expansion of the enterprise.
- (iii) There is proposed variation in the size of the departments.
- (iv) Some new product is to be added to the existing line.

(v) Some new department is to be added to enterprise and there is reallocation of the existing department.

(vi) A new plant is to be set up.

Following queries were raised by the faculty members:

- Mr. Ajay Chauhan raised the query asking about the main objective of introducing plant layout.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Rajeev Rawal Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Amalgamation

By :Ms. Shruti Mittal

11-03-2017

About the Topic : The following key points were discussed during the session:

Amalgamation:

Amalgamation is defined as the combination of one or more companies into a new entity. It includes:

- i. Two or more companies join to form a new company
- ii. Absorption or blending of one by the other

Thereby, amalgamation includes absorption.

However, one should remember that Amalgamation as its name suggests, is nothing but two companies becoming one. On the other hand, Absorption is the process in which the one powerful company takes control over the weaker company.

Generally, Amalgamation is done between two or more companies engaged in the same line of activity or has some synergy in their operations. Again the companies may also combine for diversification of activities or for expansion of services

Why Amalgamate?

- a. To acquire cash resources
- b. Eliminate competition
- c. Tax savings
- d. Economies of large scale operations

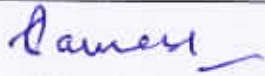

- e. Increase shareholders value
- f. To reduce the degree of risk by diversification
- g. Managerial effectiveness
- h. To achieve growth and gain financially

Procedure for Amalgamation

1. The terms of amalgamation are finalized by the board of directors of the amalgamating companies.
2. A scheme of amalgamation is prepared and submitted for approval to the respective High Court.
3. Approval of the shareholders' of the constituent companies is obtained followed by approval of SEBI.
4. A new company is formed and shares are issued to the shareholders' of the transferor company.
5. The transferor company is then liquidated and all the assets and liabilities are taken over by the transferee company.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking the difference between amalgamation and holders.

	
Dr. Saurabh Mittal	Ms. Shruti Mittal
Head, Faculty of Business Administration	Asst. Professor, Faculty of Business Administration

Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Amalgamation

By : Mr. Ajay Chauhan

18-03-2017

About the Topic : The following key points were discussed during the session:

Audit procedure

Audit procedures are used by auditors to determine the quality of the financial information being provided by their clients, resulting in the expression of an auditor's opinion. The exact procedures used will vary by client, depending on the nature of the business and the audit assertions that the auditors want to prove. Here are several general classifications of audit procedures:

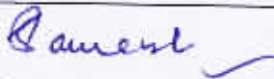

- Classification testing. Audit procedures are used to decide whether transactions were classified correctly in the accounting records. For example, purchase records for fixed assets can be reviewed to see if they were correctly classified within the right fixed asset account.
- Completeness testing. Audit procedures can test to see if any transactions are missing from the accounting records. For example, the client's bank statements could be perused to see if any payments to suppliers were not recorded in the books, or if cash receipts from customers were not recorded. As another example, inquiries can be made with management and third parties to see if the client has additional obligations that have not been recognized in the financial statements.
- Cutoff testing. Audit procedures are used to determine whether transactions have been recorded within the correct reporting period. For

example, the shipping log can be reviewed to see if shipments to customers on the last day of the month were recorded within the correct period.

- **Occurrence testing.** Audit procedures can be constructed to determine whether the transactions that a client is claiming have actually occurred. For example, one procedure might require the client to show specific invoices that are listed on the sales ledger, along with supporting documentation such as a customer order and shipping documentation.
- **Existence testing.** Audit procedures are used to determine whether assets exist. For example, the auditors can observe an inventory being taken, to see if the inventory stated in the accounting records actually exists.
- **Rights and obligations testing.** Audit procedures can be followed to see if a client actually owns all of its assets. For example, inquiries can be made to see if inventory is actually owned by the client, or if it is instead being held on consignment from a third party.
- **Valuation testing.** Audit procedures are used to determine whether the valuations at which assets and liabilities are recorded in a client's books are correct. For example, one procedure would be to check market pricing data to see if the ending values of marketable securities are correct.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking the qualifications of auditor.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Ajay Chauhan Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Bonus Shares

By : Mr. Ankur Tyagi

25-03-2017

About the Topic : The following key points were discussed during the session:

Bonus shares are the additional shares that a company gives to its existing shareholders on the basis of shares owned by them. Bonus shares are issued to the shareholders without any additional cost.

Let us now learn why the companies issue bonus shares.

WHY COMPANIES ISSUE BONUS SHARES?

Bonus shares are issued by a company when it is not able to pay a dividend to its shareholders due to shortage of funds in spite of earning good profits for that quarter. In such a situation, the company issues bonus shares to its existing shareholders instead of paying dividend. These shares are given to the current shareholders on the basis of their existing holding in the company. Issuing bonus shares to the existing shareholders is also called capitalization of profits because it is given out of the profits or reserves of the company.

Let us now learn about how the bonus shares calculation is done.

BONUS SHARES CALCULATION

The bonus shares are given to the existing shareholders according to their existing stake in the company. Like for example, a company declaring one for two bonus shares would mean that an existing shareholder would get one bonus share of the company for every two shares held. Suppose a shareholder holds 1,000 shares of the company. Now when the company issues bonus shares, he will receive 500 bonus shares ($1,000 * 1/2 = 500$).

When the company issues bonus shares, the term “record date” is used along with it. Let us now learn about the term record date.

WHAT IS RECORD DATE?

Record date is a cut-off date set by the company. If you are the owner of the shares of the company on this cut-off date then you are eligible to receive the bonus shares. The record date is set by the company so that they can find the eligible shareholders and distribute bonus shares to them.

Let us now learn about the advantages of bonus shares.

ADVANTAGES OF BONUS SHARES

- There is no need for investors to pay any tax on receiving bonus shares.
- It is beneficial for the long-term shareholders of the company who want to increase their investment.
- Bonus shares enhance the faith of the investors in the operations of the company because the cash is used by the company for business growth.
- When the company declares a dividend in the future, the investor will receive higher dividend because now he holds larger number of shares in the company due to bonus shares.
- Bonus shares give positive sign to the market that the company is committed towards long term growth story.
- Bonus shares increase the outstanding shares which in turn enhances the liquidity of the stock.
- The perception of the company's size increases with the increase in the issued share capital.

Since there are many advantages of bonus shares, let us now learn the conditions for the issue of bonus shares.

CONDITIONS FOR ISSUE OF BONUS SHARES

- The issue of bonus shares must be authorized by the Articles of the company.
- The issue of bonus shares must be recommended by the resolution of the Board of Directors. Also this recommendation must be later approved by the shareholders of the company in the general meeting.
- The Controller of Capital Issues must give permission to the issue.

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the query if bonus shares are preferred by the shareholders.

<p style="text-align: center;"><i>Saurabh</i></p> <p>Dr. Saurabh Mittal Head, Faculty of Business Administration</p>	<p style="text-align: center;"><i>Ankur</i></p> <p>Mr. Ankur Tyag Asst. Professor, Faculty of Business Administration</p>
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Cash Flow

By : Mr. Kapil Dev Dhiman

08-04-2017

About the Topic : The following key points were discussed during the session:

CASH FLOW

Cash Flow (CF) is the increase or decrease in the amount of money a business, institution, or individual has. In finance, the term is used to describe the amount of cash (currency) that is generated or consumed in a given time period. There are many types of CF, with various important uses for running a business and performing financial analysis. This guide will explore all of them in detail.

Types of Cash Flow

There are several types of Cash Flow, so it's important to have a solid understanding of what each of them is. When someone refers to CF, they could mean any of the types listed below, so be sure to clarify which cash flow term is being used.

Types of cash flow include:

1. Cash from Operating Activities – Cash that is generated by a company's core business activities – does not include CF from investing. This is found on the company's statement of cash flow (the first section).

2. Free Cash Flow to Equity (FCFE) – FCFE represents the cash that's available after reinvestment back into the business (capital expenditures).
3. Free Cash Flow to the Firm (FCFF) – This is a measure that assumes a company has no leverage (debt). It is used in financial modeling and valuation.
4. Net Change in Cash – The change in the amount of cash flow from one accounting period to the next.

Uses of Cash Flow

Cash Flow has many uses in both operating a business and in performing financial analysis. In fact, it's one of the most important metrics in all of finance and accounting.

The most common cash metrics and uses of CF are the following:

- Net Present Value – calculating the value of a business by building a DCF Model and calculating the net present value (NPV)
- Internal Rate of Return – determining the IRR an investor achieves for making an investment
- Liquidity – assessing how well a company can meet its short-term financial obligations
- Cash Flow Yield – measuring how much cash a business generates per share, relative to its share price, expressed as a percentage
- Cash Flow Per Share (CFPS) – cash from operating activities divided by the number of shares outstanding
- P/CF Ratio – the price of a stock divided by the CFPS (see above), sometimes used as an alternative to the Price-Earning

Cash Conversion Ratio – the amount of time between when a business pays for its inventory (cost of goods sold) and receives payment from its customers is the cash conversion ratio



Funding Gap – a measure of the shortfall a company has to overcome (how much more cash it needs)

Dividend Payments – CF can be used to fund dividend payments to investors

Capital Expenditures – CF can also be used to fund reinvestment and growth in the business

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking if dividend payments is different from capital expenditures.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Kapil Dev Dhiman Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Cost Accounting

By : Ms. Neha Singh

15-04-2017

About the Topic : The following key points were discussed during the session:

Cost accounting is defined as "a systematic set of procedures for recording and reporting measurements of the cost of manufacturing goods and performing services in the aggregate and in detail. It includes methods for recognizing, classifying, allocating, aggregating and reporting such costs and comparing them with standard costs." (IMA) Often considered a subset of managerial accounting, its end goal is to advise the management on how to optimize business practices and processes based on cost efficiency and capability. Cost accounting provides the detailed cost information that management needs to control current operations and plan for the future.

Cost accounting information is also commonly used in financial accounting, but its primary function is for use by managers to facilitate their decision-making.

Elements of cost

Basic cost elements are:

1. Material
2. Labour
3. Expenses and other overheads

Features of Cost Accounting



- It is a sub-field in accounting. It is the process of accounting for costs
- Provides data to management for decision making and budgeting for the future
- It helps to establish certain standard costs and budgets.
- provides costing data that helps in fixing prices of goods and services
- Is also a great tool to figure out the efficiency of a unit or a process. It can disclose wastage of time and resources

Types and Classification of Cost Accounting

- Activity Based Costing
- Lean Accounting
- Standard Accounting
- Marginal Costing

Following queries were raised by the faculty members:

- Mr. Rajeev Rawal raised the point asking the basic difference between financial and cost accounting.

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Ms. Neha Singh Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : AIDA Model

By : Mr. Amit Bhatnagar

22-04-2017

About the Topic : The following key points were discussed during the session:

AIDA Model

AIDA stands for attention, interest, desire, and action. It is an acronym used in marketing and advertising, which helps marketing managers develop effective communication strategies and communicate with customers in a way that better responds to their needs and desires. AIDA describes a common list of events that occur when a consumer views an advertisement. Each letter in the acronym stands for the following:

- The "A" represents attention or awareness, and the ability to attract the attention of the consumers.
- The "I" is interest and points to the ability to raise the interest of consumers by focusing on and demonstrating advantages and benefits (instead of focusing on features, as in traditional advertising).
- The "D" represents desire. The advertisement convinces consumers that they want and desire the product or service because it will satisfy their needs.
- The "A" is action, which leads consumers toward taking action by purchasing the product or service.

The system is used to guide marketers to target a market effectively. Naturally, as organizations move through each step of the AIDA model, a percentage of initial prospects are lost throughout the sales cycle.

Car advertisements are prime examples of results stemming from the use of the AIDA model to narrow the target market. Marketers in the automotive industry know their advertisements must grab the attention of consumers, so they use colors, backgrounds, and themes that would appeal to them. Next, automotive marketers pique interest by showing the advantages of owning the car. In the case of the Mini-Cooper, for instance, marketers imply that a small car can get the consumer to open spaces and to fun.

Third, automotive marketers find what their consumers desire. For Mini-Cooper drivers, it's the "fun" of driving, while for Prius consumers it may be the fuel economy or the environmentally friendliness. Only after evaluating consumer desires are marketers able to create effective campaigns. Lastly, marketers encourage consumers to take action by purchasing the product or service.

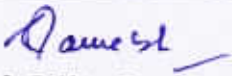
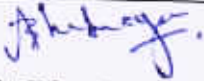
Improvements to the AIDA Model:

New phases such as satisfaction (AIDAS) and confidence (AIDCAS) have been added to the original AIDA model. These later models acknowledge the need to satisfy the customer so as to encourage repeat purchases and generate product referrals. Other modifications include the model's reduction to the three steps known as the CAB model. The steps include cognition (awareness or learning), affect (feeling, interest, or desire) and behavior (action).

Later developments also introduced more flexible uses of the AIDA model such as the reordering of steps for different consumer-to-product relationships. Additionally, as experts have examined the AIDA Model, more defined practices and theories have been developed. These practices include the TIREA scale, which focuses on breaking down the decision-making process into more defined components. The TIREA represents thought, interest (desire), risk (evaluation), engagement, and action.

Following queries were raised by the faculty members:

- Mr. Ankur Tyagi raised the query asking if AIDA model is followed in recent advertisements..

 Dr. Saurabh Mittal Head, Faculty of Business Administration	 Mr. Amit Bhatnagar Asst. Professor, Faculty of Business Administration
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Faculty of Business Administration

Minutes of "Saturday Tea Club"

Topic : Modern Business

By : Ms. Heena Haroon

29-04-2017

About the Topic : The following key points were discussed during the session:

Modern Business

It is generally believed that business activity is carried on only for profit. The traditional businessmen themselves proclaim the main object of business is to earn profits. This is not entirely true in a modern business. Modern business is created to offer satisfaction to its customers, owners, employees, managers, and other stakeholders,

Now-a-days, there is a general feeling that business is a part and parcel of the total social, political and economic system and therefore, objectives of the business, should be studied in a frame work provided by social, cultural and political frame work.

Objectives of the Modern Business:-

(1)Economic Objectives

The primary objective of a business is pertaining to economic gains, since business is an economic activity.

1.Profit Earning:- Business is directly linked with the object of profit earning. Business is an activity directed towards the wealth accumulation and addition to prosperity.

2.Production of goods:- The profit can be earned only when some exchange

of goods and services takes place. So the next objective is to produce more goods and sell them to the consumers. The producers estimates the demands for goods and produce accordingly. The tastes, preference and paying capacity of consumers must be taken into account.

3. Creation of Customers:- One of the main objective of a business is to search new consumers for increasing the sales. An effort is made to retain old consumers by supplying them better quality goods at reasonable prices.

(2) Social Objective

It is an important part of business objective to fulfill its obligations to the society since business operates in the society. Unless it meets the needs of the society, it cannot survive and grow.

1. Supply of Quality Goods at Fair Price:- The community pays for goods and services the business offers to it. In turn the community expects that the business will adhere to the standard of quality which is necessary to satisfy their wants. The business should also ensure that goods are being available to the society at competitive and fair price.

2. No Profiteering and Anti-Social tactics:- Business must avoid anti-social activities of earning more and more profit. Through it is true that business should have its desirable amount of profit but should not be solely at the cost of the consumers. Business should keep itself away from the participation or even promotion of many anti-social activities of hoarding, black marketing and resorting to the creation of artificial scarcity.

3. Co-operation with the Government:- It is not uncommon on the part of Indian businessmen to adopt tactics and strategies that go counter to the declared policies of the government. The businessmen also try to evade various taxes. These things lead to a situation of suspicion and misunderstanding between businessmen and the government, the business community should adopt a positive approach towards policies of the government and should help it in solving national problems.

Following queries were raised by the faculty members:

- Mr. Ajay Chauhan raised the query that what are the recent trends in modern business.

<p style="text-align: center;"><i>Saurabh</i></p> <p>Dr. Saurabh Mittal Head, Faculty of Business Administration</p>	<p style="text-align: center;"><i>Heena</i></p> <p>Ms. Heena Haroon Asst. Professor, Faculty of Business Administration</p>
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