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Ethics & Corporate Governance in Banks



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Dr. J. N. Misra
Chief Executive Officer,
IIBF, Mumbai

“The real threat to business is from within, from poor ethical standards and lack of integrity that can do incalculable harm. History has proven repeatedly that business ethics, shared value, and corporate governance determine the longevity of an enterprise. What is required is ‘capacity building’ towards deeper ethical behaviour”.

By: Shri. Azim Premji

Banks have come a long way from initially playing the role of financial intermediary to now being as an one stop financial service provider. This transformation has changed the face of Banking industry in terms of products as well as practices. Ethics & Corporate Governance in banks lay the foundation of trust in customers, stakeholders and competitors. With a view to promote knowledge & information in this regard, the theme of the present issue is “Ethics and Corporate Governance in Banks”.

The first article of this issue is penned by Mr. Atul Kumar, Chief Ethics Officer, State Bank of India on “Ethics and Corporate Governance in Banks”. According to the author, governance of ethics melds with the ethics of governance, if compliance is not regarded as value-neutral and should encompass ethics. This will then provide guardrails against misconduct and support for moral agency.

The second article in this issue is authored by Mr. Burra Butchi Babu, Senior Domain Expert, Institute for Development and Research in Banking Technology on “Use of ethical hacking to counter cyber-attacks”. He has explained how ethical hacking can be useful for combating cyber-crimes. He has also highlighted the role of an ethical hacker and principles for ethical hacking.

The third article in this issue is written by Ms. Sakuntala Sanyal, Assistant General Manager & Faculty, State Bank Institute of Consumer Banking (SBICB) on “Ethics and Corporate Governance in Banks”. Ms. Sanyal had discussed the concept of Ethical Banking and Corporate Governance. She has given a detail account of inter-play of Ethics and Corporate Governance in Banks.

The fourth article in this issue is on “Role of Digitization in Financial Inclusion”, jointly authored by Dr. Pradeep Kumar Pattnaik, General Manager & Director at State Bank Institute of Consumer Banking (SBICB) and Mr. Bibekananda Panda, Chief Manager (Economist) at State Bank Institute of Consumer Banking (SBICB). The use of digital payments having intensified in India in recent years, this article highlights the important facts regarding the role of various digital payment channels in furthering financial inclusion.

The fifth article of this issue is written by Mr. P. T. S. Murthy, Former Assistant General Manager, Bank of India on “Chatbot - No more Chit-Chat”. Mr. Murthy has explained the role of Chatbots in Banking and its advantages.

The sixth article in this issue is authored by Mr. N. K. Bakshi, Former Vice President, Axis Bank on “Security from New Age IT Frauds”. Mr. Bakshi has discussed Saving Bank Security and has cautioned regarding fake phone calls for passwords.

We are also carrying a Hindi article in this issue on “वित्त, कौशल विकास और उद्यमशीलता” written by Mr. Subah Singh Yadav, Former Assistant General Manager, Bank of Baroda. Mr. Yadav had given a detail account of skill development and efficiency in Indian perspective.

We are also publishing a summary of Diamond Jubilee & CH Bhabha Banking Overseas Research Fellowship Report of the year 2014-15 on “Innovative Credit Products for MSME sector and to evaluate the Credit Guarantee Mechanism under CGTMSE and compare with Credit Guarantee Mechanism of Japan” by Mr. E. R. Muthuselvan, Assistant General Manager & Member of Faculty, College of Agricultural Banking, Reserve Bank of India.

Apart from the articles on the theme “Ethics and Corporate Governance”, we have also included articles on diverse contours of banking in this issue. I hope the readers will appreciate this quarter’s Bank Quest and continue extending their support to the academic activities of the Institute.

Dr. J. N. Misra



 **Atul Kumar***

Ethics & Corporate Governance in Banks

A series of corporate scandals in recent times have revived an unprecedented public interest in debates on ethics and corporate governance within organizations. Take for instance two such calamities involving a major Indian private sector bank and a foremost non-banking financial company in our country. Other countries have evinced no better show either. For example, Wells Fargo's fake accounts scandal, Barclay and Lloyds Bank's involvement in Libor scandal, Global Financial Crisis of 2008 involving several bank failures, money laundering scandal in 2012 spreading across HSBC Bank, Standard Chartered Bank, Credit Suisse & Dutch Bank ING, Danske Bank's money laundering scam in 2015, Goldman Sachs's involvement in Malaysian Development Board's fraud and EU's last month fines of \$1.2 billion on Barclays, Citi, MUFG, JP Morgan and RBS for forex rigging known as 'Three Way Banana Spilt' are few high-profile tragedies that bring out spectacular abuse of managerial power in banks throughout the world. However, while going through the minutiae of these catastrophes, one qualm keeps on agitating is that when Boards were providing direction to all such banks regularly, compliance systems were in force, risk management processes were in place, well-defined checks & balances were functional, periodical audits were being carried out and the regulatory supervision was on the go, then how is it possible that all the firewalls and thresholds failed in deterring the creation of the circumstances that crumbled the long established reputations, leading to trust deficit in the banking ecosystem itself. What is the missing link in the existing governance and oversight frameworks? What banks can and ought to do -to guard against recurrence of similar debacles and restore the institutional trust in public at

large - during a period when corporate governance, per se, seems to be facing an existential crisis?

Before we structure a response, it would be in order to ascertain the root cause of these spate of corporate governance failures in banks. Corporate governance is fundamentally geared towards ensuring that 'banks take responsibility for directing and controlling their affairs in a manner that is fair to all stakeholders. This responsibility can be taken either on their own by the Boards of Directors of banks or imposed upon them by the regulatory authorities. This inclusive responsibility lends a distinct ethical character to corporate governance and is evident in its four pillars of fairness, accountability, responsibility and transparency. Other structural elements of corporate governance such as board composition, board committees of audit and risk, risk management processes, audit system, reporting and disclosure requirements etc. also manifest its characteristically ethical nature. In terms of the widely acclaimed Cadbury definition, also adopted by the World Bank, Corporate Governance is the system by which companies are directed and controlled for holding the balance not only between individual and communal goals, but also, between economic and social goals. This definition as well suggests an ethical alignment of individuals, corporations and the larger economic system. A company whether banking or otherwise is a congregation of various stakeholders such as customers, employees, vendor partners, management, board of directors, government and society. If a company is to be directed to function in a way so as to be fair and equitable to all its stakeholders, the framework which governs it has to invariably encourage the efficient and responsible use of resources for synchronizing the interests of

*Chief Ethics Officer, State Bank of India.

individuals, organizations and society. Corporate governance in this context turns out to be nothing but a moral or ethical framework under which corporate decisions are taken. That is precisely why corporate governance is inherently about ethical conduct of business. Ethical competence is more exacted in banking organizations for the reason that principally, they are trustees of public funds and carry an socio-ethical obligation of sustaining the institutional trust of stakeholders.

However, in practice it has not worked out that way anywhere in the world. How can we explain this disagreement? If we study the current practice of corporate governance in banks together with the stance of regulatory guidance, we shall find that both functions are strongly biased towards compliance management in banks. As compliance per se is 'focussed on decreeing rules, monitoring behaviour, and sanctioning transgressions', it becomes an externally-driven activity from a behavioural perspective. With the bank regulation growing more comprehensive and granular in the aftermath of each disaster, a severe compliance fatigue has developed in employees conduct-wise across the bank-engendering a state of disengaged collective mind - and giving rise to much-criticised tick-box approach. Ingredients of corporate governance are converted into organisational practice through multiple levels of compliances and therefore the whole system is reeling under the diminished effectiveness of the integrity of corporate governance agenda. Carsten Tames has aptly noted that 'a methodology for strengthening self-regulated ethical behaviour is largely missing' from the scene. As a matter of fact, compliance differs from ethical behaviour. Intention behind an action is central to this distinction. 'Compliance is simply behaviour in accordance with someone else's requirements in order to gain rewards or avoid punishment. By contrast, 'ethical behaviour is prosocial behaviour for its own sake. People engage in it for no other reason than they view it as the right thing to do. As such, ethical behaviour is intrinsically motivated. The locus of causality is, thus,

a key distinguishing feature of compliance on the one hand and ethical behaviour on the other. Ethical behaviour requires an element of free choice. As the external pressure to perform a good deed increases, its ethical character diminishes.'

History can help us understand this phenomenon better. In 325 BC, Alexander the Great, was engaging in a series of battles against the local kings in north-west India and won all of them. During last two battles, his soldiers seemed to lack their verve and did not fight well. The wins were quite closely finished contests. In reality, the soldiers were too tired of fighting and did not feel motivated on their own. They were impassively complying with the orders of their emperor. Later, Alexander wanted to invade the powerful Nanda Empire in Eastern India. But he could not generate enough enthusiasm among his soldiers to take on the mighty Nanda Empire. The soldiers had begun to feel sort of, what Albert Bandura terms as 'moral agency for actions', by that time. Identical is the situation presently pervading the banking sector and although a number of banks have reacted by toning up their decision making and conduct processes through different cycles of ring-fencing exercises, yet the quantum and magnitude of governance meltdowns is not abating in the least. The basic reason is that the employees or the organizational soldiers are deficient in their moral agency. Surely they unreceptively comply to some authority outside of themselves, as had happened in the case of Alexander thousands of years ago. 'Moral agency refers to the ability to monitor one's conduct, to judge it in relation to one's personal identity and moral standards, and to regulate one's behaviour through self-sanctions.' It is to be recognised that when people feel self-governed and free to make their choices even though working within an organisation, they act ethically, more deeply in the wake of their identification with the corporate goals and, in turn, effectively exercising their moral agency. In such a setting of ethical congruence, moral agency flows without constraints and compliance materialises both in letter as well as spirit. Further, as people believe in their own efficacy as a moral agent, moral agency gets exercised either directly by the individual (individual agency), or as a group (collective agency) or through influencing others (proxy agency). It becomes the

way things are done in an organisation and in due course organisation becomes a means to achieve the highest goals of corporate governance.

The classic case of Enron teaches similar lessons. Enron had a pervasive practice of creative compliance and insider dealings. Interestingly, much of Enron's misleading accounting was based on perfectly legal devices that constituted normal business practices in the US and beyond. Though it compromised the whole idea of true and fair accounts and undermined the very purpose of corporate governance, yet it was accepted as legal and in line with the normal business practice with no scruples. A serious concern in this piece is the question whether legal regulation of business can succeed without the lens of business ethics? Corporate history shows that 'whenever law is put in place as a mechanism for controlling business, it is mined for opportunities for circumvention. That is the reality of business regulation in action, whether in the arena of corporate governance or elsewhere. At this point, we need to understand 'how businesses choose to comply with law involving judgment'? And, making judgment is not a technical issue, but, an ethical one necessitating active moral agency as discussed in the preceding para. The experience of Enron has clearly demonstrated that the stand alone legislative approach is a poor substitute for the practical wisdom that is inscribed in the notion of ethics as a practice and further that 'ethics cannot be seen as ancillary to law but, as intrinsic to the way business executives and other managers view law and define their responsibilities under it'. Given these conditions, corporate governance in general and banking in particular assumes a normative imperative as a co-creative process which is focussed on fostering the human capacity for moral agency and promoting ethics as an integral part of the business behavior.

Since the origin of commerce, the ethical basis of business has been in question but not that of banking. We may ask what is the ethical basis in banking? Etymologically, the word 'ethics' is derived both from the ancient Greek word *ēthikós* and Latin 'ethicus', meaning 'relating to one's character'. Ethics is used to describe the right and wrong behavior in a particular situation. Ethics also refers to the study of moral beliefs and the choices arising from them.

Leslie E. Sekerka points out that 'this involves the examination of individual, cultural, group, and/or professional values and principles that shape the motivations for ethical or 'right' action. Personal moral values are codified principles that help people establish the boundaries of ethical behavior'. In short, being ethical means that you live the moral values you say you hold. As a banker, you are bound to live out personal integrity uprightly in order to safeguard the stakeholders' trust that is inviolable. This premise molds the ethical basis of banking. Interestingly, the notion of moral responsibility in business or banking has existed in one way or the other since the advent of bartering. The earliest forms of bartering are based on the principle of equal exchange. Aristotle also distinguished between the basic trade healthy for an economy, and trade for profit which could descend into un-productive usury. Though the balance of pursuing business opportunities while maintaining ethical integrity has remained a defining challenge for every form of the business enterprise since beginning, a wider sense of fiduciary duty in such activities generally continued till the later decades of the 20th century. After that, Milton Friedman's view that 'business of business is just business' gained currency and the maximization of shareholder value became the sole corporate objective. Managers were incentivized and impelled to pursue it. Element of ethics faded. Later, Global Financial Crisis of 2007-08 forced the governments, regulators and financial institutions to examine the negative outcomes of this approach and 'a new sense of the importance of robust regulation, alert corporate governance, and stronger ethical guidelines became widespread'.

Watergate scandal of 1973, in the USA had probably sown the seeds of modern corporate governance. On the other side of Atlantic, UK-based corporations were riding on a high earnings curve through the 1980s but got embroiled in scandals and collapses by late 1980s, leading to panic amongst the shareholders and banks. In May 1991, a committee was constituted by the London Stock Exchange under the Chairmanship of Sir Arian Cadbury. The mandate of the Committee was to clearly set and demarcate the role and responsibilities of those involved in the overseeing the governance, reporting and the audit functions in an organisation to raise the

standards of corporate governance and the level of confidence in financial reporting and auditing. The Committee submitted its report in December 1992, spelling out the methods of good governance. Since then, a host of other developments have taken place for bolstering corporate governance, but the recently published UK Corporate Governance Code 2018 marks a departure from the traditional approach. It places greater emphasis on integrity in business and the relationships between companies, shareholders and stakeholders. Unlike US and UK, corporate governance in India was initiated not by any financial exigency but, as a result of establishing a task force to design a voluntary Code of Corporate Governance by Confederation of Indian Industry (CII) in 1995. In 1998, 'Desirable Corporate Governance: A Code' was released. Subsequently, SEBI set up a Committee under Mr. Kumar Mangalam Birla to design a Code for listed banks. The Birla Report, approved by SEBI in 2000, became mandatory for the listed banks. Following CII & SEBI, the Department of Company Affairs modified the Banking Act 1956, to incorporate specific corporate governance provisions. Over the years, corporate governance in India has been gradually evolving. Latest is the Committee on Corporate Governance formed in 2017, under the chair of Mr. Uday Kotak. SEBI has accepted its certain recommendations and amended the SEBI Listing Regulations in 2018. This report further strengthened monitoring and enforcement mechanism for group entities and related parties including performance evaluation of independent directors. Besides, the Basel Committee on Banking Supervision had published guidelines on corporate governance in banks in 1999, which had since been revised in 2015. This guidance emphasises the critical importance of effective corporate governance for the safety and soundness of the banking system as a whole. The revised principles provide an operating framework and stress the significance of risk governance as part of a bank's overall corporate governance grid and highlight the value of strong boards and board committees. Currently, as majority of banks in India belong to the public sector, corporate governance can play out to be an enabler for them to achieve business and social success.

Today, the issues of ethics, corporate governance and sustainable growth have become so interconnected and pressing that what is now emerging, in effect, is an integration of corporate governance, corporate social responsibility and corporate sustainability. This approach potentially offers a radical framework for ethics and corporate governance in banking. The operating logic, as Solomon illuminates, is that 'people are ultimately responsible as individuals in a corporate setting where their responsibilities are at least in part defined by their roles and duties in the company Business, in turn, are defined by their role(s) and responsibilities in the larger community.' In banking, ethical bearings nurture a higher level of trust, builds customer loyalty, expands client-base and eventually leads to better bottom-lines. These also help in attracting better talent and furthering the performance of existing employees. These shield against fraud, bribery, conflicts of interest and the business risks a bank is usually exposed to. Taking ethical governance as a cultural premise and the role of ethics as a critical enabler towards good corporate governance, State Bank of India, long known for its iconic integrity, had taken a seminal and forward looking initiative in the year 2017, by envisaging and creating the position of Chief Ethics Officer for establishing an independent Ethics & Business Conduct Function in the Bank. Idea was to anchor and institutionalise a strong ethical culture in a structured manner towards realising the highest standards of corporate governance in the midst of fast changing aspirational template of the Indian society externally and rapidly shifting employee demographics of the Bank internally. IIBF has also added a course on 'Ethics in Banking' in its JAIIB curriculum to create awareness about ethical aspects of banking behavior in the new workforce joining the banking industry. Such thoughtful interventions can go a long way in blending corporate governance with ethics in day-to-day banking and extending the sphere of ethical governance in banking space.

In a time when fourth industrial revolution has begun to come about with super intelligent technologies like artificial intelligence, machine learning, blockchain and robotics etc., the Indian banking system will grow not only in size but also in its complexity. The

uncertainties and ambiguities will aggravate for the bankers. To navigate through such randomness, corporate governance shall have to progress to the level of well-balanced effectiveness but, that will be possible when the search light of ethics guides the path and steers the direction. The governance of ethics melds with the ethics of governance once it makes sure that compliance is not regarded as value-neutral and encompasses ethics and, in the process, provides 'guardrails against misconduct and support for moral agency'. Let us come forward, collaborate, engage in ethical reasoning, deal with the normative-ethical dimension of economic life and suffuse the sinews of corporate governance with ethical imagination, vigour and perseverance in the larger interests of not only of the banks, its stakeholders and national economy, but the global economy as well. Talk Ethics and Walk Ethics.

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**Indian Institute of Banking & Finance
Winners of Macro Research Proposals for the year 2018-19**

The following researchers are selected for the award of Macro Research for the year 2018-19:

S.No	Name	Institution	Title of Proposal
1	Dr. Karabi Goswami & Dr. Shazeed Ahmed	Assam Institute of Management	Issues and Challenges in Moving Towards a Digital and Cashless Banking Economy
2	Dr. Archana Srivastava & Dr. Rishi Kumar	BITS-Pilani Hyderabad Campus	Sustainability of Cashless Banking in Unorganized Retail Sector: A Comparative study of two districts of Telangana
3	Dr. P. Ganesan & Dr. A. Sivakumar	VIT Business School, Vellore	The determinants of customers' continuance intention to use digital banking: Public and Private banks - An Analysis

We thank all the researchers who have participated in Macro Research Competition. The winners are advised separately.

Mumbai

Date: 04th June 2019

Director (Academic)



 **Burra Butchi Babu***

Use of Ethical Hacking to Counter Cyber Attacks

Preamble

Hackers are originally computer enthusiasts, who used their knowledge to gain unauthorized access into computer systems, without any intention to make financial gain or to damage the systems. With the growth of internet, many organizations started hosting their applications on the web for day-to-day transactions. Hackers who are digital trespassers started exploiting flaws in the network and insecure web applications for financial gain. These malicious hackers use many automated hacking tools to gain access to targeted networks, steal credentials, identify the vulnerabilities and exploit the computer resources for various purposes.

Banking has expanded beyond branch banking and customers prefer banking through mobile phones, laptops, tablets, and other portable devices. These portable devices, which are connected wirelessly, are favorite targets to hackers to attack the central systems. Banks are also switching to Cloud Computing, to host their applications and data. These call for more stringent monitoring of data stored remotely, and increases the demand for improvised ethical hacking techniques and adopting new risk assessment methods.

In the era of ever expanding connected digital world, a huge concern is about data breaches happening through illegal/unauthorized access to major web sites and applications. This created a lot of demand for hacking tools and techniques, for helping the IT security professionals to check the vulnerabilities in a system, and to defend the systems by suggesting remedial measures to mitigate / counter the attacks.

Ever increasing illegal attacks by hackers using multiple techniques on the computer systems and network is a major concern for the banks who are exposed to the world wide web.

Introduction to Ethical Hacking

Hacking is an act of unauthorized intrusion into a computer or a network and the person engaged in such activities is known as a hacker. Hackers adopt a variety of techniques for hacking like scanning for vulnerabilities in a network for weaknesses, cracking of passwords, sniffing of data packets during transit in the network, phishing, spoofing, viruses etc. Often hackers misuse or alter system or security features with a malicious motive. Hackers are often known as criminals or digital trespassers.

However, there are some hackers who are engaged in using their skills for legitimate purposes carrying out non-malicious activities, like, finding the flaws / vulnerabilities in the systems, making alterations to equipment or processes for improving or strengthening the systems. These Hackers are called as ethical hackers and often known as security guardians. Of late, ethical hacking has become an integral part of the cyber security and being given increasing importance by banks as these ethical hackers search and identify flaws before cyber criminals exploit them.

Banks / Financial Institutions have been the favored targets for inflicting cyber-attacks by the cyber criminals. Banks need people who have the skill sets matching the hackers to perform penetration tests, to lookout for vulnerabilities in their systems just like a criminal hacker would, and report the vulnerability

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findings to the owner and also enable Banks to fix their systems in time.

Some major hacking incidents in the recent past causing huge data breaches have shaken the confidence of computer users. A few such examples are narrated below.

Facebook

In the month of September 2018, hackers have exploited a weakness in Facebook's code and accessed data of over 50 billion users. They exploited Facebook privacy tool 'View As' which allows any users to see how his profile is visible to other users.

Marriott

In the month of November 2018, Marriott hotels reported that their guest reservation database had been compromised by an unauthorized party which culminated in a massive data breach of data of 500 million customers.

Quora

In December 2018, Quora reported a massive breach of user data of over 100 million users. The data included names, email addresses, IP addresses, user IDs, encrypted passwords, user account settings, personalization data etc.

British Airways

In September 2018, British Airways reported breach of about 3,80,000 booking transactions like bank card numbers, expiry dates and CVV codes. The transaction details were gathered by hackers using a script designed to steal financial information by 'skimming' the payment page.

Hacking methods

Hackers achieve their goals using various methods depending on the target and nature of crime. The following are some such hacking methods adopted in cyber-attacks.

a. Phishing

Phishing attacks are meant to lure / lead users into sharing their personal details or login credentials.

Attackers may do this by encouraging the user to respond to the email, or by asking them to click to a fraudulent website that prompts them to share information. A link in a malicious e-mail is almost twice likely to point to a phishing website than to malware. Spear phishing is simply a more targeted form of phishing. Instead of sending a single phishing email to several email recipients, spear phishing attacks send personally crafted emails to targeted e-mail recipients.

b. Malware

Malware literally means "malicious software." Malware can be spyware, ransom ware or adware, and it can carry a virus. Rather than embedding itself into the operating system or hard drive like a virus, it installs itself and runs as a software. Ransom ware is malware that closes a computer, network, or other system until a ransom has been paid and the hacker deactivates the ransom ware. Malware can inflict various sorts of havoc, like taking control of your system, to monitoring your actions and keystrokes, and silently sharing confidential data from your computer or network to the threat actor's systems.

c. Ransom ware

Ransom ware is a type of malware which typically encrypts and blocks access to victim's data in a computer and demands money to restore the access. Ransom ware typically blocks access to a victim's files through encryption. Once a victim is infected, the ransom ware scans the available local, network systems for important files, encrypts the files, and alerts the user about the infection. The alert includes a ransom demand and a deadline for payment. If the ransom is not paid in time, the ransom ware destroys the decryption key and the victim's files would be rendered useless.

d. Cross-Site Scripting (XSS)

Cross-site scripting (XSS) is a type of computer security vulnerability typically found in web applications. XSS enables attackers to inject malicious client-side scripts into web pages viewed

by other users. Attackers to bypass access controls such as the same-origin policy may use a cross-site scripting vulnerability.

e. Social engineering

Social engineering provides a way to bypass security protocols that cybercriminals may not be able to overcome via technical means. Cybercriminals use social engineering techniques to manipulate human trust and elicit information in support of network exploitation efforts. Social engineering is more sophisticated and is likely to be increasingly used by adversaries to disguise their illicit activities as genuine.

f. Advanced Persistent Threats

Advanced Persistent Threats, or APTs, are long, directed cyber-attacks. These types of attacks usually begin with a network probe. An organization or individual illegally, and surreptitiously, accesses an organization's local area network or internal internet. This individual may have got in through an employee access gateway or found a vulnerability through other means. The hacker will lurk on the network, hiding from detection, while it maps the information stored there and implements malicious measures. Often, results of APTs include theft.

g. Zero-day attacks

A zero-day vulnerability is a computer-software vulnerability that is unknown to, or un-addressed by, those who should be interested in mitigating the vulnerability (including the vendor of the target software). Until the vulnerability is mitigated, hackers can exploit it to adversely affect computer programs, data, additional computers or a network. An exploit directed at a zero-day is called a zero-day exploit, or zero-day attack.

Role of a typical Ethical Hacker

An ethical hacker is considered to be an ultimate computer security specialist who is as skilled as a malicious hacker conducting Penetration Testing (intruding / penetrating into system or networks) ,

finding threats and vulnerabilities like a malicious hacker is likely to exploit and cause disruption, financial loss and data loss to the organization. Ethical hackers conduct penetration and vulnerability testing with the approval of the owner of the systems. They use the same tools and techniques used by malicious hackers. Also an ethical hacker will find remedies for the threats, vulnerabilities in those systems with the main intention of protecting the systems from the threat actors.

An ethical hacker generally has thorough understanding of cyber-attack methodologies, tactics adopted and motives of hackers, and various tools used. The success of an ethical hacker is based on knowledge of the system network, equipment, user interaction, policies, procedures, physical security and business culture.

The large presence of employees on social media apps creates more scope for the threat actors to exploit them using ever evolving social engineering attack threats. This calls for more awareness of the habits of its IT users (staff). An ethical hacker should create awareness and also train staff on best practices for social media usage and network security.

Skills required by an Ethical Hacker

An ethical hacker is expected to be proficient in database handling, networking, and operating systems and also have excellent soft skills as they need to communicate problems regarding security to the rest of the organization. An ethical hacker should have expertise in the following areas:

- ✓ Zero day attacks
- ✓ Network traffic sniffing
- ✓ Orchestration of various network attacks
- ✓ Phishing and social engineering attacks
- ✓ SQL injection
- ✓ Password guessing and cracking
- ✓ Session hijacking and spoofing
- ✓ DNS spoofing

Also, an ethical hacker shall think like a malicious hacker and shall anticipate ingenious ways a malicious hacker can exploit a system and predict and prevent such breaches.

Some rules and principles for ethical hacking

Ethical hackers need to follow some rules and principles, some of which are given below.

1. Always seek written permission of the owner before you initiate your testing. Keep the Management updated with periodic progress reports.
2. Understand the eco system, network topology well and think like an intruding hacker.
3. Plan well before you start. Penetration testing can be intrusive and destructive and may cause slowing down or shutting down of systems.
4. Work ethically, work professionally. Desist from sharing any information regarding details of the testing plan to any unauthorized person. Do not be lured by multiple tools available in the market. Stick to select tools after due diligence.
5. Always report the vulnerabilities and weakness found during the process immediately to the owner. Always record your actions in written or electronic form.
6. Respect rights and the privacy of others.

Activities performed by Ethical Hackers

Ethical hackers perform many proactive tests and scans as part of their duties. Some such important activities include:

Vulnerability assessment and penetration testing:

An ethical hacker performs vulnerability assessment and penetration testing to provide an organization with information on the security weaknesses in its environment.

Patch Management: Computer systems need periodic software updates known as patches for bug fixing or for enhanced security / performance. An ethical hacker shall scrutinize patch installation processes to make sure that no new vulnerabilities

are added through the application of patches.

Network traffic analytics: An ethical hacker should perform network traffic analysis and sniffing by using latest tools.

Zero day exploits: A zero-day attack is a breach of cybersecurity that is related to a zero-day exploit in a piece of software. A zero day exploit is one that exists in the code undetected by the developer. One of the major responsibilities of ethical hacker is to search for such zero day exploits in their own system.

Privileged account monitoring: Privileged account misuse will continue to be the biggest threat to the security industry. An ethical hacker has to develop strategies and action plan for mitigating this threat.

Automated hacking tools: Even ethical Hackers need automated tools, which are useful in gathering of critical information about on vulnerabilities, find vulnerabilities inside any network / DNS, cracking of passwords using brute force techniques, execute remote attacks and many more activities. Some of the ethical hacking tools include Acunetix, Canva, John the Ripper, Kismet, Nikto.Nmap, Metasploit, SQLninja, Wapiti, Wireshark.

Ethical use of Information technology resources.

Cyber security teams in banks are busy protecting the perimeter of the data centers, endpoints and connected devices on the network to protect their data. However, insider threats are posing a bigger challenge as they can create a path for hackers to inflict bigger damage. User is the weakest link in the IT security chain. Banks need to place more emphasis on access controls and identity management.

Many employees flout the laid down security norms at work place and use their computers in activities like surfing popular web sites which are not related to their job profile, participating in social media chats, playing computer games, downloading free music and movies violating copyright laws. Employees pose significant risks to organizations unintentionally by clicking malicious URLs and evading security controls.

Banks should have an IT policy encompassing Social Media usage, Data privacy, Do's and Don'ts of usage of computer resources. Such frame work helps the Ethical Hacker and the security team to ensure security at work place.

Conclusion

Across the world unauthorized hacking is a recognized as crime and punishable. Ethical hacking is about countering the malicious hackers from attacks on web based applications and systems through vulnerability assessment and various penetration techniques. There is always a dilemma about how much to spend on testing and is what the return on investment. Spend on testing depends on the exposure to the outside world and the risk appetite of the organization. Ethical hacking trend is picking up and many people are being trained in Ethical Hacking.

Majority of the cybercrimes take place because of lack of awareness of the users / customer about cyber security. In this direction, Reserve Bank of India has taken a great initiative by mandating that officials concerned of banks should undergo training and get certified in Cyber Security awareness.

Ethical hackers have good knowledge and potential to harm the computer systems and have mandate to access to critical and confidential data. It is for the organization to pick the ethical hackers having good moral responsibility, and use them gently and wisely, for the good of society.

Hacking as a cybercrime is recognized in the Information Technology Act and legal recourse against hackers and data theft is prescribed. There are two relevant sections in the Information Technology Act, which prescribe the punishment for hacking and data theft. Under section 43 and also under section 66 of IT Act, a hacker can be punished with imprisonment, or with fine, or with both. A person suffering from hacking or data theft can file a complaint under Section 43 and Section 66 of the Information Technology Act, 2000 with the local cyber-crime authorities.

Some ethical hackers adopt offensive security methods. Offense security as opposed to defensive security aims at hunting for the perpetrators, potential attackers, and at times cautiously retaliate by performing organized attacks in a controlled and focused manner on threat actors to disable or to disrupt their operations.

A section of security experts argues that there are no good or bad hackers and hacking by an ethical hacker or malicious hacker cannot be distinguished as an ethical hacker can become a malicious hacker. They argue that these acts by ethical hackers may be legal, but not ethical. Also, they believe that training people in hacking techniques should be restricted.

However, ethical hackers have been helping organizations in improving and strengthening system security and they are quite effective and successful. More companies are training employees in offensive skills, and more people are competing in hacking competitions.

Ethical hacking as a profession has been adopted in Indian Banks in a small way. Banks are, however, realizing the importance of this area and there will be more certified hackers in future helping banks with proactive security techniques.

Acknowledgements

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Suggested links

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<https://www.informationisbeautiful.net/visualizations/worlds-biggest-data-breaches-hacks/>

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Ethics and Corporate Governance in Banks

 Sakuntala Sanyal*

1. Global financial system has gone through many financial shock-waves since 1980, be it the East Asian economic crisis, the technology bubble or the sub-prime crisis and each time, new norms have been set, regulatory regimes were strengthened. Despite these measures, frauds have happened, non-performing assets have increased. The very question that is bothering everybody today is “Is Banking an ethics free zone?” This question has the potential to weaken the very foundation of trust and faith in financial system and raise a doubt over their so-called ‘Triple Bottom Line’ approach. At this juncture, it is imperative to look critically at what and how the banking business is being conducted and whether corporate governance sans ethics have become the norm of the day and also to find out ways and means to lay the foundation for an ethical organization.

2. Inter Relationships of Ethics-Morality-Law and Business Ethics as a branch of philosophy

Ethics is a branch of philosophy that deals with moral principles telling us what is right and wrong. This is the study of standard of our behavior that promotes human welfare and general principle of ‘the good’. Ethics is neither personal feelings nor it is similar to religion; it is a greater truth of humanity.

How Ethics is different from morality?

Ethics is the rules of conduct accepted by a group or culture, whereas moral principles are of personal

feelings of right and wrong. So, Ethics promotes a standard of behavior that is acceptable by the larger society or culture whereas, morality is more of individual value system, which may or may not be in sync with societal perception of right and wrong. At the same time, ethics is also not truly what society thinks because then social evils like Sati system or child marriage may not have been considered wrong and uprooted.

How ethics is different from Law?

Law is the compendium of rules and regulations usually created by an appropriate authority like the government and recognized by a particular country or community for regulating the behaviour of its members towards a desired direction. It represents the minimum standards of human behavior. Therefore, the scope of ethics is much beyond the law because, moral values may differ from person to person, laws may differ from society to society but, ethics can be applied to all situations irrespective of any boundary.

What is Business Ethics?

Business ethics, the term sounding more like an oxymoron, is ethics applied in business context. But, can business be conducted on strictly ethical terms? Are business and ethics separate or if not ‘sans ethics’, can business be at least ethically neutral?

Nobel laureate Economist Mr. Milton Friedman once

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said that “the only social responsibility of business is to make profits”. Does it mean that in a hyper-competitive world, if others are not acting ethically, how can we be ethical and survive in that environment? The explanation may be put out in the following way-

Ethical standard of an individual determines and develops his/her character and the character of a person ultimately decides how he/she is perceived by others and thereby managing his/her relationships with the greater mankind. Similarly, business (run by individuals ultimately) can also be conducted by embracing the same principles of ethics and thereby managing how individual employees are influencing or being influenced to deliver the organizational goals.

Is Ethical Banking same as Business Ethics?

Financial Web defines Ethical banking as the term that encompasses any banking system that adopts environmentally and socially conscious practices. While the banks still try to earn profits, they try to do it in such a way that's consistent with their values and practices. When compared to Business Ethics in Banks, Ethical banking is a broad term that filters their business opportunities based on community development practices, sustainable practices, client screening based on their vision etc. Ethical Banks may not grab certain business opportunities if they are in conflict with their value system.

2.1 What is Corporate Governance?

As per the definition provided by Investopedia, “Corporate Governance is the system of rules, practices, and processes by which a firm is directed and controlled.” It refers to the principles and guidelines based on which a company can be run and governed so that the company can maximize value for all its stakeholders as well as fulfill its

business objectives. Stakeholders include everyone ranging from the Board of Directors, management, shareholders to customers, employees and even society as a whole.

The basic governance structure in most of the corporations is this: the share-holders first vote for and appoint a Board of Directors. The Board of Directors have a fiduciary responsibility to protect the share-holders' interest. They then hire a CEO to lead the business operations in such a way that the CEO remains accountable and answerable to the Board. The CEO, with the help of the Board, then appoints a management team to assist him/her in overseeing the business activities and so on. At every step, it can be seen that power flows downwards in the hierarchical chain whereas, accountability flows upward. Then there are numerous policies, procedures, rules and structures to ensure that appropriate balance between power and accountability is established and maintained giving rise to good corporate governance.

2.2 Relationship between Business Ethics and Corporate Governance

Growing profits and unblemished reputation go hand in hand with good Corporate Governance. It becomes even more important when interrelationships amongst stakeholders decide the fate of strategic business direction and take control of the business performance of organizations. Accountability assumes a place of enormous importance as it becomes a key element to provide a transparent template for all governance related decision making. Reputation coupled with sense of accountability fortifies the edifice of good corporate governance.

There are ample reasons why businesses should act ethically. Being ethical increases credibility, generates trust and improves relationships with key stake-holders and the business can reap the benefits

over a very long period. The success of Tata Group is a good example in this regard. Good governance is, ultimately, the sum total of ethical conducts of both the organization and the individuals associated with it.

3. Inter-play of Ethics and Corporate Governance in Banks at different Organizational Levels

3.1 At Customer Level

A. Rights of a Customer

Ethical businesses can form strong relationships with their customers due to their strong principles and trust in their partners. Ethical behavior with customers is about providing them an honest, fair, transparent, and open business relationship. Ethical behavior may indicate different facets of service delivery to different customers like, for some, receiving a fast and precise response to their queries could constitute ethics, while for others, a social, friendly and responsible gesture from a company would display the highest form of ethical behavior.

Some of the universally accepted rights that a customer expects from a Bank are:

- i) Right to fair treatment ii) Right to Transparency, Fair and Honest Dealing iii) Right to Suitability iv) Right to Privacy v) Right to Grievance Redressal and Compensation etc.

B. Code of Bank's Commitment to Customers:

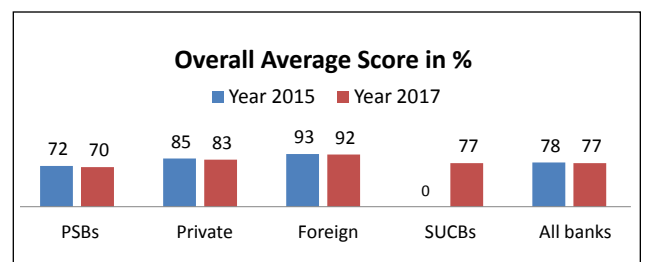
The Banking Codes and Standards Board of India (BCSBI) collaborated with the Indian Banks' Association (IBA) and came up with two codes - Code of Bank's Commitment to Customers and the Code of Bank's Commitment to Micro and Small Enterprises. These codes set the minimum standards or benchmarks for banking services that will be followed by the member banks voluntarily

when they are dealing with individual customers and micro and small enterprises respectively. The central theme of these Codes is to promote honest and fair banking practices, minimum standard of service quality, transparency in dealings, achieving higher operating standards and finally, promoting a friendly banker-customer relationship. BCSBI, to measure the compliance level of its code by member banks, have started rating the banks based on some pre-decided parameters. The scoring is done on a scale of 100 and the rating category is as follows:

S. No	Rating	No of Banks	
		2017	2015
1	High (Score-85 and above)	12	13
2	Above Average (70 to less than 85)-	29	23
3	Average (60 to less than 70)	10	10
4	Below Average (Below 60)	0	0
Total no. of Banks surveyed		51	46

Source: BCSBI website

Overall Score by different Banking groups: The overall average score achieved by different banking groups during 2015 and 2017 is shown in the following table and the corresponding chart:



Source: BCSBI website

C. RBI's Fair Practice Code for lenders: Many a time, Bank borrowers are subjected to unfair lending and recovery practices and to protect them from this exploitation, the Reserve Bank of India (RBI)

implemented the Fair Practices Code for Lenders in 2003. Some of the important declarations of Banks under the code are-providing professional and efficient retail lending facility, disclosing the time and cost of loan transactions, providing efficient dispute resolution or grievance redressal mechanism, explaining the process of sanction and disbursement of loan, maintaining secrecy of all personal information of the customer etc.

D. Complaint management system in Banks: In general, complaints help banks to identify gaps in their product lines, process deliveries and in control mechanism. Banks should actively monitor customer complaints so that the weaknesses observed could be plugged at the earliest and customer experience remains seamless. A recent Report on Trend and Progress of Banking in India shows that complaints against banks shot up 25% in 2017-18 over the previous year. Not adhering to the fair practices code was the top most grievances received by the offices of the Banking Ombudsman.

	No of Complaints		
	2017-18	2016-17	% change
Non observance of fair practice code	36146	31769	13.78
ATM/Debit Cards	24672	16434	50.13
Credit Cards	12647	8297	52.43
Failure of commitments	11044	8911	23.94
Mobile banking/ electronic Banking	8487	NA*	NA
Charges without Notice	8209	7273	12.87
Pension	7833	8506	-7.91
Deposit Accounts	6719	7190	-6.55
Loan & Advances	6226	5559	12.00
Non-adherence of BCBSI Code	3962	3699	7.11

**Fresh ground of complaints included from July 1, 2017. Received by Banking Ombudsman offices. Source: RBI.*

Data pertains to July-June.

E. Ethics in Marketing of Bank Products: When moral principles and values are applied to all kinds of

marketing communication, it is known as Marketing Ethics. Fairness and honesty need to be promoted in all advertising and promotional messages across all communication channels. Any kind of false claims to the consumers, exaggeration, breaching consumer privacy, propagating stereotypes and exploiting vulnerable consumers (like children and elderly, patients etc.) are considered to be unethical behavior by the companies and should be shunned.

i) Cross-Selling or Mis-Selling: Drawing attention to the menace of cross-selling (mis-selling) in Banks, RBI Deputy Governor Mr. S. S. Mundra had said “The underlying reasons were the challenging targets set for employees, incentive linked quotas, lack of training and fast rotation of frontline staff.”

Some of the common ways of mis-selling third party products are: attaching application forms of SIPs or health insurance or personal accident policies along with account opening forms, tagging insurance products along with loans, making third party products as mandatory for availing loans whereby, loan proposals are rejected for not purchasing third party products and debiting customer accounts for renewal premium without proper mandate.

ii) Product and Pricing Related Communication: Apart from forceful sell of third party products, there are many unethical practices related to product or price. Selling ULIP policies to senior citizens, investing superannuation benefits in mutual funds without disclosing the market risk are common in Bank Marketing. Moreover, many banks are coming up with innovative products like ‘**Super Saver offer**’ on Home Loans carrying lower interest rate but, virtually preventing customers from pre-closing their loans. Similar is the issue of not passing the benefit of policy rate reduction to customers even after moving to MCLR regime.

iii) Dubious Role of Business Partners/ Marketing Associates/DSAs: Most of the Banks and Financial

Institutions maintain relations with Builders, Dealers, Education Counsellors, and Direct Selling Agents for getting leads against payment of lucrative commission. It is quite possible that these under paid sales executives will prefer to pass on the lead to that particular Bank which offers the best commission rate thereby putting the customer's interest in the back seat.

iv) Unethical Communication in Digital Space:

Today, the millennials and Gen Y customers decide on a Bank based on Google Search, comparative study available on websites or by going through the rating. However, many a time, the way Search Engine Optimization (SEO) works, a few Banks are shown up at the top of the search result thereby directing the major share of website traffic to them without customers getting the full picture.

F. Other Unethical Practices: Some of the other unethical practices of the Banks that weaken public trust over Banks are unethical Loan Recovery measures, where Banks resort to coercion and public humiliation of customers who default in the loan repayment. Another practice but a more severe one is failure to maintain confidentiality of customer data.

G. Money Laundering and the Role of Banks:

Banks and other financial institutions are at the forefront of the battle against the money launderers. However, many a time, Banks find themselves on the wrong side of the battle and indirectly, play a role in money laundering by relaxing the KYC and PML guidelines unethically. And this is not only true for Indian Banks only, world over, big and small banks have grabbed public attention because of their role in money laundering.

3.2 Ethical Dimension: Employees

Employer-employee relations can be viewed on multiple planes. At one level, they are contractual. However, the relationship involves highly asymmetrical powers in favour of the employer over the employee

for a variety of reasons and this lies at the heart of ethical issues. Problems often arise due to real or perceived unfair exercise of power by the employer. Some of the areas where ethical dilemmas may occur are:

i) Whistle Blower Policy: This policy enables an employee (the whistle blower) of an organization to raise concern over the unethical practices adopted by another employee or by the organization itself. The designated officer will then investigate into the matter and necessary action will be taken. About a third of the Nifty companies proclaimed in their last financial-year annual reports that they together received 3,508 whistle-blower complaints. The increased number points towards an increasing use and awareness of this enabler.

ii) Sexual Harassment Policy in Banks: An ethical organization will provide safe working environment to its female workforce. This is not only an indicator of business ethics but also of a good governance. As per a newspaper report, as many as 588 women reported cases of sexual harassment across 50 companies in the Nifty 50 index.

iii) Social Media Policy of Banks: Today, most of the Banks have presence on various social media sites to engage with the customers on a real-time basis. However, on one hand, these Social Media tools are giving more insights about the customers to the Banks, on another hand, employees of many Banks have been using the media to vent their frustrations against their own Banks. Sometimes, some inexperienced employee responds to a customer complaint in a very casual way drawing huge wrath of online community. Therefore, many Banks have come with a Social Media Policy of Dos and Don'ts for its employees.

iv) Performance Linked Incentive in Banks: Performance linked incentive structure in Indian banks is no doubt a positive factor to raise employee productivity. However, there are some disadvantages

associated with this. Many a time, the targets are either too high or show such steep increase over the years, that they force the employees to resort to unethical means to achieve their targets. The Wells Fargo Scam is an apt example of the same.

v) Maintaining Work Life Balance: Another significant area of employee exploitation is distorting the work-life balance. Often in Corporate world, productivity and efficiency are equated with number of working hours an employee has put in per day. This strenuous work culture creates an imbalance in their life style and results into physical and mental trauma or even suicide. Often, bank employees are called on a holiday or get disturbed by phone calls or WhatsApp messages and thereby, not allowed to disengage or relax. The largest Bank of the country, has shown positive direction by issuing necessary guidelines to maintain a healthy work life balance for the employees.

3.3 Interplay of Ethics and Corporate Governance at Corporate Level

A. Agent-Principal Relationship: In a Banking Company, the share-holders are the principal and management team is the agent. This relationship allows the agent to manage shareholders' interests. However, the managers have inherent inclination to promote their self-interests even to the disregard of the interests of the owners. This relationship is the fundamental barrier to good corporate governance.

B. Ownership Structure: The concentration of ownership in a corporation creates artificial road blocks in the selection, appointment, remuneration of the CEO and other critical functionaries or the top management of the Bank. This structure demands loyalty and throttles democracy and dissent.

In promoter-led Banks the corporate governance problem arises when the Board becomes servile to the all-powerful promoter. The 'independent' directors owe their positions mainly to the promoters because

promoters can actively vote on their appointment contrary to the minority shareholders who occasionally exercise their voting rights. As a result, the promoter can effectively appoint the independent directors even after having comparatively small shareholding. If any independent director agrees to disagree with the promoter, he or she is immediately shown the doors.

C. Board Structure: Similarly, the constitution of the Board, its role and authority and functioning itself can become a barrier. In non-promoter led companies, agency problem could be a reason of worry because the managers' interest may not be aligned with the shareholders. First, there is the problem of the charismatic CEOs who have always enjoyed an aura of dominance and media attention because of their past performance, charisma, and tactful PR management. Second, many of the directors serve on multiple boards, and therefore, have limited time and resources to really dig into the company affairs to comprehend the true situation of the firm. Most of the time, they are not aware of their fiduciary powers as well. As a result, directors depend heavily on the information that the CEO chooses to showcase and are ignorant of those issues that are concealed from them. Consequently, directors end up looking through the filtered glasses provided to them by top executives and monitor the actions of the same management in a biased manner.

Third, the financial incentives of directors such as compensation and bonus remuneration are largely dependent on the recommendations of CEO. This is a well-known fact that CEOs, through various monetary and non-monetary benefits, effectively make the directors complicit. In exchange, the CEOs are provided with additional immunity and job security by the overcompensated directors. Furthermore, cronyism between CEOs and directors are evident when excess compensation of directors is directly related to the CEO's total compensation.

D. Non-alignment of interests of Directors with long-term value creation of the organization:

There are examples of directors who have a reciprocal arrangement to sit on each other’s board. There are also directors in companies who have conflict of interest. Similarly, there are directors whose remuneration is linked to short term performance.

E. Accounts and Disclosures- the mounting NPA Crisis:

For the last few years, there had been a visible reluctance on the part of the Indian banks to recognize a sizable portion of their financial assets as non- performing assets. The numerous loan restructuring mechanisms also played second fiddle to it. The result was pile up of huge non-performing assets in the Banks’ books. When RBI carried out asset quality review of banks, all these hidden NPAs were classified. RBI made it mandatory that banks must disclose the divergence when the additional provisioning requirements assessed by RBI exceeded 15% of a bank’s published net profit for the reference period or when its additional gross NPAs identified by RBI exceeded 15% of the published incremental gross NPAs.

There was a huge outcry of the media and public at the blatant violation of regulatory and more seriously corporate governance norms by the top most Banks

in India.

F. Corporate Frauds and Governance Issue:

As per RBI’s ‘Report on Trend and Progress of Banking in India 2017-18’, one of the major concerns of management operations in Indian Banks has been fraud. In 2017-18, not only credit related frauds but frauds related to cyber-crimes, foreign exchange transaction or off balance sheet items have also grabbed the centre stage. The report states, “Incidentally, large value frauds involving ₹500 million and above constituted about 80 per cent of all the frauds during the year. 93 per cent of the frauds in terms of amount of more than ₹0.1 million occurred in Public Sector Banks (PSBs) while Private Sector Banks (PVBs) accounted for six per cent.”

Three main governance issues, if handled properly, the menace of corporate frauds may be reined in- (1) The role of poor organizational culture that encourages and drives misconduct within a financial institution; (2) The approach of collective responsibility against individual accountability and responsibility; and (3) The ‘rolling bad apples’ phenomenon whereby individuals (usually up in the ladder) move from one organization to another without their financial misconduct being divulged to their new employer.

FRAUDS IN BANKING OPERATIONS						
Area	2015 -16		2016-17		2017-18	
	Cases	Amount*	Cases	Amount*	Cases	Amount*
Advances	2,125	1,73,681	2,322	2,05,614	2,526	2,25,590
Deposits	757	8,087	695	9,027	691	4,567
Cyber	1,191	402	1,372	423	2,059	1,096
Off-balance sheet	4	1,324	5	633	20	162,877
Foreign exchange	17	508	16	22,010	9	14,258
Cash	160	220	239	365	218	403
Cheques/DDs	234	250	235	404	207	341
Clearing accounts	17	866	27	57	37	56
Inter-branch A/Cs	4	101	1	4	6	12
Non-resident A/Cs	8	88	11	34	6	55
Others	176	1,460	153	768	138	2,421
Total	4,693	1,86,98	5,076	2,39,339	5,917	4,11,677

Source: Report on Trend and Progress of Banking in India 2017-18 by RBI.

4. Developing today's Banks into an Ethical Organization

A three-pronged strategy may be adopted to transform the Banks of today to a future ethical organization:

4.1 The creation of a suitable structure and incentives for ethical behavior: Employees do not follow what is being said, they go by the behaviors that are being rewarded. Robbins and Judge (2009), have suggested a combination of the following practices of the leaders to improve governance:

Become a role model and be visible: When employees observe their senior/top management to take up the ethical high road and set an example, a positive message goes all out reinforcing their belief about what is acceptable and what is not in their workplace.

Communicate ethical expectations: An organizational Code of Ethics can be created and necessary conversations around it may be built up to disseminate the primary values cherished by the organization so that employees know the ethical standards against which their performance will be measured.

Offer ethics training: Set up seminars, workshops, and similar ethical training programs. Use these training sessions to reinforce the organization's standards of conduct, to clarify and address possible ethical dilemmas.

Make noticeable effort to reward ethical behavior: Annual appraisal of employees should include point by point evaluation of how his/her decisions fare against the benchmark of organizational code of ethics.

Provide redressal mechanisms. There should be a formal mechanism to address and discuss the ethical dilemmas and report unethical behaviour if any, without being reprimanded for doing so.

4.2 Implement a Code of Ethics and blend it in the Culture: It is imperative for the Banks to convey to their employees that ethical behaviour is of paramount importance and is always a priority when dilemma strikes. The best way to do that is through a "code of ethics" document. The code should offer guidance when explicit instructions are absent. Ethical standards unlike regulatory policies are generally timeless and do not require frequent updating. Therefore, if they can be blended with corporate culture, it may help in improving public sentiment towards Banks.

4.3 Better Governance leads to better Corporate Social Responsibility (CSR) - CSR is a concept whereby, the social and environmental concerns of a company get interwoven with their business strategies and blends beautifully to their operational tactics as well as in their interactions with their stakeholders without the need of active supervision. A traditional view suggested a contradiction between CSR and Corporate Governance. Corporate Governance was related to profit maximization while CSR apparently was against profit maximization because it suggested investment in non-profit oriented social causes. But nowadays, Corporate Governance is an umbrella term and CSR is gradually getting fused into the company's corporate governance practices. RBI came up with its notification dated December 20, 2007, with the theme 'Corporate Social Responsibility, Sustainable Development and Non-Financial Reporting- Role of Banks'. The regulator envisaged that Banks would exhibit commitments towards Sustainability, 'Do No Harm' policy, Responsibility, Accountability and Transparency while implementing CSR activities. Prominent Banks have rallied behind the cause of greater good and contributed to society by getting involved in various social and environmental causes.

The contribution of some major Banks, through their CSR arms, is praiseworthy. However, using CSR as PR exercise by some Corporates including a few banks have drawn flaks from public recently. CSR

efforts that are carried out without sincerity and are more of a nature of public relations stunts rather than philanthropy, are also increasing rapidly. Another superficial so called ethical practice by Banks is how they are adopting sustainability inauthentically to project an environment-friendly image. This practice is called green-washing and should be avoided.

In conclusion, Ethics in Bank is not an option but the only way forward because, a company that earns disrepute for being unethical would soon be rejected by the customers and investors unanimously. It is also evident that Corporate Governance sans ethics is a farce because setting the right corporate culture by the senior management today may preempt tomorrow's ethical dilemmas and imprudent follies within the organization. Growth, be it in terms of profit or reputation, is driven by good Corporate Governance and good Corporate Governance, in turn, rests on accountability. Accountability cements the latter in such a way that transparency shines in full glory through every aspect of critical decision making and organizational activities.

Sources:

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- iii) 'The essential book of Corporate Governance' by G. N. Bajpai.

- iv) <https://www.investopedia.com/terms/c/corporategovernance.asp>
- v) <https://www.finweb.com/banking-credit/what-is-ethical-banking.html>
- vi) <http://www.bcsbi.org.in/Pdf/BCSBIcodeComplianceRatingFin2017.pdf>
- vii) <https://rbi.org.in/scripts/PublicationsView.aspx?Id=18948>
- ix) <http://eprints.lse.ac.uk/89986/1/southasia-2018-05-30-public-sector-banks-in-india-revisiting.pdf>
- x) https://rbidocs.rbi.org.in/rdocs/Publications/PDFs/0RTP2018_FE9E97E7AF7024A4B94321734CD76DD4F.PDF
- xi) https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=41223

Abbreviations:

- BCSBI- Banking Codes and Standards Board of India
- CEO- Chief Executive Officers
- CSR- Corporate Social Responsibility
- DSA- Direct Selling Agents
- MCLR- Marginal Cost based lending rate
- NPA- Non Performing Asset
- RBI- Reserve Bank of India
- SBI- State Bank of India





 **Dr. Pradeep Kumar Pattnaik***

Role of Digitization in Financial Inclusion



 **Bibekananda Panda****

Introduction

After financial inclusion, the second most important agenda of the GOI is the 'Digital India' mission. The demonetization of 2016 and the unrelenting push towards digital channels in subsequent period have increased the usage of digital channels intensively in the country in last couple of years. Analysis of the latest data of RBI on Payment Systems Indicators shows that the economy has achieved a successful progress in digital transactions front. By December 2018, the total volume of digital transactions (RTGS, CCIL operated systems, NACH, Paper Clearing, Retail Electronic Clearing, Cards and PPIs) reached 2.63 billion compared to 1.60 billion in October 2016. The overall value of transactions has also increased significantly and has reached ₹221.9 trillion in December 2018 from a level of ₹179.1 trillion in October 2016.

Though the progress India has made in digital payment front is commendable, it is very much important to assess whether these digital progress supports equal income distribution. As per the 2017-18 Annual Report of RBI, out of 536 million BSBDA accounts, only 1.12 per cent, i.e., 6 million have availed of collateral free over draft facility in 2017-18, which even includes Shishu category borrowers under PMMY scheme. The corresponding ratio was 1.69 per cent in FY17 and 1.92 per cent in FY16. Apart from joining mainstream to park their hard earned

money, the low-income newly boarded customers are not actively participating in availing other financial services.

The literature on financial inclusion lauds many potential benefits of financial inclusion. The deepening of digital financial services, including mobile money services, payment cards, and other financial technology applications benefit many weaker sections. Study by Suri and Jack (2016) has shown that access to mobile money services has huge impacts on the lives of Kenyans, especially women. Women-headed households increased their savings by more than a fifth and allowed 185,000 women to leave farming and develop business or retail activities. The study also claimed that it helped to reduce extreme poverty among women-headed households by 22 per cent. It is important to note that digital financial services help people to manage financial risk by making it easier for them to collect money from distant friends and relatives during exigencies. Financial services can also help people accumulate savings and increase spending on necessities. Even the shift in administration of subsidies by the government from physical modes to digital channels for various welfare schemes reduced slippages, corruption and improved efficiency. The study by Muralidharan, Niehaus, and Sukhtankar (2016) revealed that by switching from cash to digital payments in India, the leakage of funds for pension payments dropped by 47 per cent.

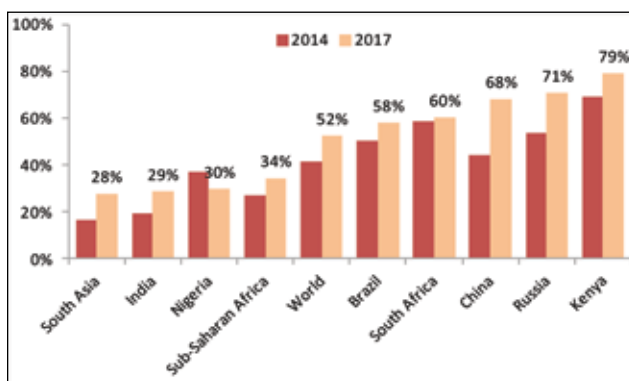
*General Manager & Director, State Bank Institute of Consumer Banking (SBICB).

**Chief Manager (Economist), State Bank Institute of Consumer Banking (SBICB).

Digital Inclusion: Global Findex 2017

To better understand the degree of financial inclusion and digital revolution in India vis-à-vis other emerging and developing peers, this study has analyzed the latest World Bank Global Findex 2017 data which is a triennial survey drawn from a sample covering 150,000 people in 144 economies. The survey was carried out over the 2017 calendar year by Gallup Inc. and was published in April 2018 using randomly selected, nationally representative samples. The target population was the entire civilian, non-institutionalized population age 15 and above. The sample size for India was 3000 well distributed among States. Though the survey period in India (Apr 21, 2017 to Jun 2, 2017) was nearly after 6 months of demonetization announcement, may not have captured all digital progress India has made in last few months, still the data base is fair enough to provide the information in a single platform for all economies and covers almost same time periods.

Chart 1: Made/Received Digital Payments



Source: World Bank, Findex Database

How Digitalization has moved?

Owning an account is the first step towards financial inclusion, but this is not the end. To fully benefit from

having an account, people need to be able to use it in safe and convenient ways. Unfortunately, as per the Global Findex database, apart from joining the main stream, activities of these new entrants are limited in India. When globally 76 per cent of account owners reported making or receiving at least one digital payment in 2017, the corresponding ratio for India was only 29 per cent [Chart 1]. The ratio was 91 per cent for high-income economies and 44 per cent for developing economies. Important to note that these percentages include all respondents who reported using mobile money, a debit or credit card, or a mobile phone to make a payment from an account, or reported using the internet to pay bills or to buy something online, in 2017.

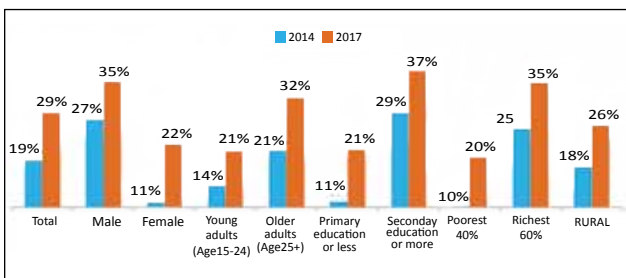
The huge surge in digital transactions in India has been recorded both in value and volume terms. But, though the usage of digital transactions has increased, India stands low compared to other peers and sub-Saharan economies. Again the proportion of the Indian population accessing financial institution accounts from their phones or the internet, making digital payments or using mobile money wallets is radically lower than in other developing economies. In 2017, only 29 per cent of Indian made or received digital payments, which was lower than Nigeria (30 per cent), sub-Saharan Africa (34 per cent), World (52 per cent), South Africa (60 per cent) and Kenya (79 per cent). In Kenya, the successful adoption of mobile money accounts has made the use of digital payments universal among account owners.

Who is using Digital Payments Channels?

The use of digital payments has intensified in India in recent years. Between 2014 and 2017, the share of adults making or receiving digital payments rose

by 10 percentage points, from 19 per cent to 29 per cent [Chart 2]. However, this digitalization progress is highly uneven among gender, social groups and geographies. Compared to 35 per cent of male, only 22 per cent female uses digital payment channels. An education gap persists regarding mobile account access and digital payments. Similar is the trend among the rich and poor segment. Rich people are seen using digital channel more intensively than poor. Similarly, the use of digital payment channels are seen less among rural population. Important to note is that though the gap in account ownership has been narrowing, the adoption of digital payment methods has widened.

Chart 2: Percentage of Adults made/ received digital payments in India



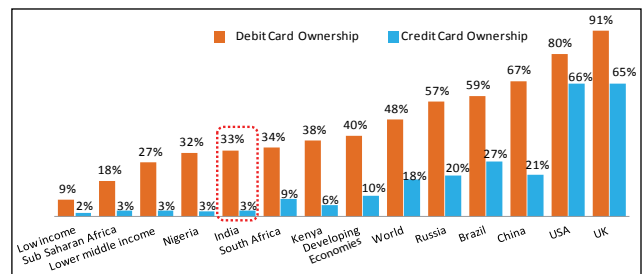
Source: World Bank, Findex Database

Which Digital Channels are on Demand?

The type of digital channels used by adults emphasizes the position and acceptance of different digital channels across population. Payment cards such as debit and credit cards are a convenient way to make payments from account without having to withdraw cash. Globally, debit card ownership is seen higher compared to credit card in all the economies. In developed economies like USA and UK, debit card ownership was 80 per cent and 90 per cent, respectively compared to a credit card ownership of 65 per cent. It is generally seen that most people

who owns both credit and debit card use credit card rather than a debit card to pay bills and make internet purchases. It is observed that the uses of credit card are seen more among developed economies and credit card ownership remains low among low income economies. Globally 29 per cent of adults around the world reported using the internet to either pay bills or buy something online, out of which 68 per cent of adults were in high-income economies and 21 per cent in developing economies.

Chart 3: Payment Cards (Credit & Debit Card) Ownership in Economies



Source: World Bank, Findex Database

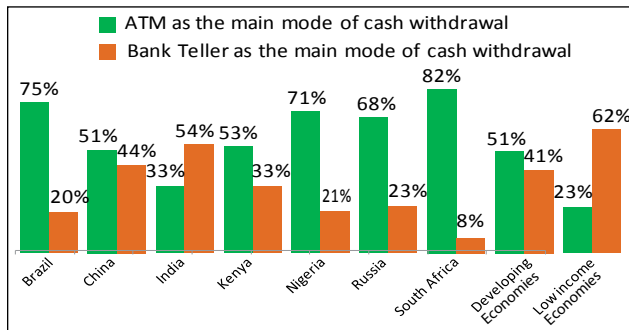
Preferred mode of Cash withdrawals: Branches Still Dominate over ATM

Along with a number of other services offered by debit card, the most common use of the debit card is to withdraw money from account through an automated teller machine (ATM) and make less use of bank teller. In India the inclusion of more and more population in the main stream has made it difficult for banks to provide quality service at branches as the growth of physical and human infrastructure were limited. This is resulting into overcrowded branches in semi urban and rural areas. It has been a constant endeavor of the commercial banks as well as the regulator to divert the traditional deposit, withdrawal and passbook printing related services to alternate channels. However, the newly boarded customers as

well as a part of the existing customers prefer human interaction over machine.

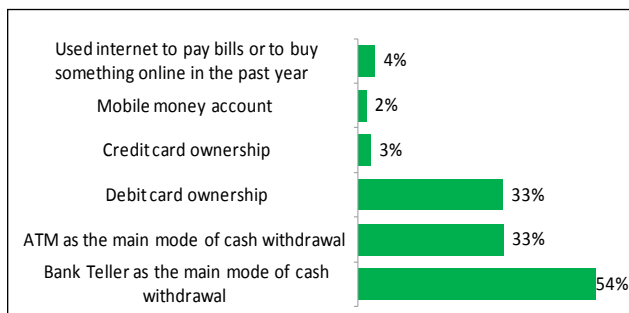
Debit cards also get used for the purpose of digital payments for online shopping and bill payment. It is seen that in many economies still the main mode of cash withdrawal is bank teller not ATM machines.

Chart 4: Main Mode of Cash withdrawal in Economies



Source: World Bank, Findex Database

Chart 5: Uses of Payment Cards, ATMs and Other Services in India



Source: World Bank, Findex Database

In case of India debit card ownership has grown from 22 per cent in 2014 to 33 per cent in 2017. However, surprisingly, credit card ownership has come down in India from 4 per cent in 2014 to 3 per cent in 2017. Importantly while debit card ownership has increased in India, people using debit card for online payment has not grown, it is only 4 per cent. The financially included adults in India prefer to withdraw cash from

bank teller rather than using ATM machines. Only 33 per cent of account holders prefer to withdraw cash from ATM machines against 54 per cent from bank tellers.

The usage of mobile money (people who have used a mobile money service in 2017) account in India is also at very low level of 2 per cent as against 73 per cent in Kenya, 19 per cent in South Africa and overall 18 per cent in low income economies. The proportion of the Indian adults accessing financial institution accounts from their phones or internet, making digital payments or using mobile money wallets is significantly lower in India than in other developing economies. Though the overall digital transactions value and volume has grown considerably in recent months, but the digital channels are not yet accepted as the convenient and safe mode of transaction among mass population. There are several factors responsible for the impediments including low level of financial literacy, lack of trust on technology, recent rise in frauds in digital channels, lack of well-developed digital infrastructure including quality of internet facility. Until these infrastructure bottlenecks are not properly removed and confidence among the mass regarding the digital channels are not placed, digital India dream would be difficult to achieve.

India has not yet benefitted from mobile banking. Proportion of Indian population accessing financial institution accounts from their phones or the Internet, making digital payments or using mobile money wallets is very much insignificant compared to developing economies. In 2017, only 5 per cent of Indians accessed a financial institution account from their phone or the Internet, and 2 per cent of the population owned a mobile money account where

as, in sub-Saharan Africa 21 per cent of adults had a mobile money account in 2017. Similarly, the usage of digital payments is widespread with 97 per cent of adults in Kenya making a digital payment in 2017 and 60 per cent in South Africa, compared to 29 per cent in India.

Mobile technology plays an important role in digital mission. The successful experience of some of the African economies shows that even featured mobiles are sufficient to carry basic mobile money accounts related transactions via phone. Even earlier studies¹ have also claimed that mobile offer the cheapest mode of banking. Mobile banking transaction costs about 2 per cent of the bank branching cost, 10 per cent of ATM-based transaction and 50 per cent of the Internet banking cost. Hence, mobile phone and internet are two basic foundations of digital transactions. Apart from these two, the other physical infrastructures including seamless electricity connection and robust mobile networks are the key. Though, India has made significant progress in internet usage front, but for a lower middle income economy where 68.8 per cent population lives in rural area², internet infrastructure is not strong in rural area. The latest Mobile Internet Report 2017³ by the Internet and Mobile Association of India shows that there is a clear rural urban divide in internet connection. Internet penetration in urban India (64.8 per cent) was three times higher in December 2017 in comparison to rural India internet penetration (20.3 per cent). To have a successful digital India, it is imperative to bridge the urban-rural divide in internet infrastructure.

As per the Global Findex data, among the 1.1 billion unbanked adults globally, 102.9 million are from India. Among the unbanked adults, which records at 19 per cent of the total adults, 11 per cent are having

mobile phones and the rest 9 per cent are not having any mobile phone. Importantly, out of the 11 per cent adults those are having mobile, only 1 per cent is having internet connection in their mobile. Hence, adults deprived of an account, mobile phone and internet connection stands at 19 per cent of the total adults in India.

Conclusion

India claims to have nearly cent percent financial inclusion. The flagship programmes of the Government of India (GoI) including PMJDY, PMMY etc. have played a significant role to achieve the mission. Though 80 per cent of adults in the country are having an account at a financial institution (single or jointly with someone else) or through a mobile money provider, only 7 per cent of them have borrowed from a financial institution in the last one year, which is lower than many African and Asian low income economies. Low levels of engagement with the formal banking sector beyond simple withdrawals and deposits suggest that universal account ownership does not necessarily equate to financial inclusion.

The use of digital payments has intensified in India in recent years. However, this digitalization progress is highly uneven among gender, social groups and geographies. Credit and debit card ownership in India is very low compared to other peers. The financially included adults in India prefer to withdraw cash from bank teller rather than using ATM machines. Though the overall digital transactions value and volume have grown considerably in recent months, the digital channels are not yet accepted as the convenient and safe mode of transaction among the mass.

Apart from a sound technology and robust

¹https://www.rbi.org.in/scripts/BS_SpeechesView.aspx?id=726

²http://censusindia.gov.in/2011-prov-results/paper2/data_files/india/Rural_Urban_2011.pdf

³<https://www.iamai.in/media/details/4990>

infrastructure, the most important factor driving people from cash based transactions to digital are government regulations which need to ensure that appropriate regulations and consumer protection safeguards are in place. Such protections are very much important to include the economically disadvantaged and financially less illiterate vulnerable marginalised groups such as women and low income strata etc.

The flagship BharatNet programme of the Gol aims to provide on demand, affordable high speed optical fibre network connectivity for all households. To realise the vision of Digital India, the programme has achieved a significant milestone in Phase-1 of the project by connecting over one lakh Gram Panchayats (GP) across the country by 31 Dec 2017 that covers over 2.5 lakh villages benefitting more than 200 million rural Indians⁴. Phase-II of the BharatNet has aimed to connect the remaining 1,50,000 GPs, using an optimal mix of media, by 31 March 2019. 100 per cent rural electrification under 'Deen Dayal Upadhyaya Gram Jyoti Yojna' (DDUGJY) has been able to provide electricity in each rural village⁵. Providing electricity and internet in rural village have eased the Digital India mission ahead. Along with these basic infrastructures, the recent disruption in telecom sector, resulted by entry of giant players and mergers has increased the competition which has ultimately

benefited the customers. Though telecom services are made available to all at cheaper rate, India needs to improve the quality of telecom network to win over the confidence of the newly boarded customers.

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⁴<http://pib.nic.in/newsite/PrintRelease.aspx?relid=175462>

⁵<http://pib.nic.in/newsite/PrintRelease.aspx?relid=179031>



 **P. T. S. Murthy***

Chatbot - No More Chit-Chat

Chatbot is a new gadget on the horizons of banking technology to provide hassle-free customer service through the medium of technology. Banking is synonymous with customer service. It is one of the service industries where major interactions take place with the customers. With new conglomerate activities of banking industry wherein Banks offer both banking products such as Deposits, Loans and non-banking products, such as credit cards, insurance, mutual funds, customers need more clarity, guidance and assistance. In order to meet rising demands from the customers for information, all banks have set up call centres. The major advantage of call centres is the customer can call them at his/her convenient time on a 24/7 basis. Of late, it has been observed that customers are dissatisfied with these call centres because they are not able to obtain the telephone lines and wait time is long or they get incomplete information. Most of these call centres are outsourced and handled by people without domain knowledge. The calls get frequently transferred from one source to the other. The customer disconnects the line, dissatisfied, as he/she could not get the information he/she desired. The present-day call centres do not maintain any log on queries or accept any text or email message to take the grievance. Many times, their operational inefficiency is detrimental to the image of the bank.

Chatbot

The Chatbot is a computer programme designed to simulate a conversation with human users, especially over the internet or telephone. The system uses Artificial Intelligence and Natural Language

Processing (NLP) or Neuro Linguistic programme. There are two types of chatbots. One is based on a set of rules and the other one using machine language. The NLP aims to interpret, to recognize and understand the user request in free speech. The other one is based on artificial intelligence. The latter will look for possible answers for customer's question by accepting variable options. The I-phone's Siri, Alexa of Amazon and Google Assistant are chatbots with which, major smartphone users are familiar with. AI is expected to redefine how we interact digitally with the customers to get the required information. A MEDICI study found that virtual assistance through Chatbot is the most explored all over the World. The Chatbot accesses data from a vast database and uses AI to enable scaled conversations and respond to the customer's request.

Let us give an example, how Chatbot responds to a customer query.

Customer: *"May I know about the deposit schemes of the bank".*

Chatbot searches its feed on its system and tries to get an appropriate answer. Here, the customer's question is not specific. Hence, it tries to analyse the question further.

Chatbot: *Are you looking for Current, SB or Term Deposits.*

It thus limits the choice of the customer and if the customer says SB deposits, it goes back to the feed and replies perfectly.

*Former Assistant General Manager, Bank of India.

Chatbot in Banking

Many banks are leveraging technology to launch Chatbot. It will reduce costs and human errors. Juniper Research has predicted that by the year 2022, there will be cost savings of over USD8 bn in the Banking industry globally by using the Chatbots. According to another research by Gartner, by 2022, Chatbots will handle 85% of all customer service interactions. According to a report by PwC in 2017, the global spending on AI applications touched USD5.1 billion in 2015. The major advantages for the Banks are cost savings, ease of use and 24/7 digital support. The Chatbot application used by Bank of America is called Erica, JPMorgan Chase is COIN. They are used for lead generation, customer support, and feedback.

Chatbot in Banks in India

Kotak Mahindra Bank Launched Keya, India's first AI-powered voice bot in the Banking Industry. According to the bank, Keya is an intelligent voice-bot developed keeping in mind the customers' changing preference for voice over text. It is built on a technology that understands a customer's query and steers the conversation to provide a quick and relevant response. Many private sector banks and public sector banks are inching forward for setting up Chatbots replacing call centres.

According to Accenture's recent Accenture Banking Technology Vision 2018 report, 83% of Indian bankers believe that AI will work alongside humans in the next two years - a higher than the global average of 79%. 93% of bankers in India said they increasingly use data to drive critical and automated decision-making.

HDFC has recently implemented Chatbot called "EVA" and has handled 2.7 million customers and communicated with over 5.30 lakh users. SBI had launched its SBI's Intelligent Assistant, "SIA" which handles customer queries and daily tasks. It handles nearly 10,000 inquiries per second or 864 million per day. It can handle all enquiries about banking products and services. It is expected to tune to answer in various Indian languages in both voice and text

format. YES Bank has YESmPower as their Chatbot. ICICI Bank has deployed software Chatbot functions across the organizations all segments of Banking.

Advantages

- (1) **Customer support.** - All the calls attended by the Call centres can be directed through Chatbot. There will not be any delay in responding.
- (2) **Automated data collection** - Chatbot can be used to create logs for analytic purposes. The frequently enquired subjects and new topics which could not be answered by the bots can be addressed by the Bank either by redesigning the product or introducing a new product.
- (3) **Big Savings** - Chatbots can help reduce costs on human resources and technical glitches. Specialized officers and equipment need not be deployed. Chatbot can be easily modified to suit the requirements.
- (4) **Risk Management and Fraud Detection** - Helps to automate fraud prevention processes and collects critical information to implement risk processes in the Bank.
- (5) **Product information.** It can trace the transactions from the customers and suggest for cross-selling of products.
- (6) **No human intervention:** The discussions are polite and to the point. No unnecessary chit chats and enquiries. Reduces turnaround time for answering a query. The customer can interact through voice or text.
- (7) **Accessibility:** They can be accessed by multiple users at a time on a 24x7x365 days basis without any glitches.

The Chatbot is going to stay. Next time, when your call is properly answered, you may have to say, "Thank you Chatbot for your reply."





Security from New Age IT Frauds

 **N. K. Bakshi***

Doing easy business in one's saving bank account calls for being vigilant. The customers having saving bank accounts and Non Resident External Account (NRE) saving bank accounts and using digital platform need to follow couple of dos and don'ts. It is in their interest as well as in bank's interest. In recent times, widespread frauds are being noticed on senior citizens, householders, women and bank customers availing digital services for the first time. Financial literacy has been making its presence felt across India and it needs to be discussed time and again at every forum like community halls, bank customer's monthly meets, village panchayat halls, skill learning with elderly people, vendors, NGOs working in different parts of India to name a few. Banks have been making lot of efforts for reduction of digital crimes perpetrated on customers. Digital thievery comes in all types. The most common is getting a call and someone pretending to be from bank speaking for a minute, building up a ruse which is followed by asking for One-Time Password (OTP). And once the OTP is given away, the entire balance gets cleaned up before you know what struck you. At times, for months, elderly and housewives may not even know about their shallow and empty saving bank accounts. The thumb rule of never having to share your OTP or password could be introduced in all saving bank account opening forms prominently in block letters and with a request to sign it after explaining the importance of the narration. This lack of digital awareness is the root cause of digital robbery which needs to be nipped in the bud.

The bill boards should be prominently placed in Automated Teller Machine (ATM) premises and Branches mentioning "under no circumstance passwords should be shared in ATM with any one and never on phone" whosoever is calling from the other side. It needs to be explained to all saving and NRI saving bank account customers that banks do not have any practice of calling any customer and asking for OTP and passwords.

The customers need to be explained that one can learn how to operate ATM or Micro ATM from any helping hand but once, the stage reaches for entering the password, the helping person has to look on the other side and the card holder has to make a hand cup of other hand, cover the fingers and press the password. These measures will go a long way in reducing digital robberies. One novel way of training customers could be calling customer to ask for their OTP and then caution them not to reveal because that is how you get trapped. Similarly, on customer's emails, a link could be sent with free offer and when the customer clicks on the link, the alert message should pop up from the bank cautioning the customer about allurements and remind customers that checking on an unknown link could lead to frauds.

It is also advised that bank's customers while receiving debit or credit cards should be asked to feed bank's toll free number in their registered mobile number. In case the card gets misplaced or lost, it urgently needs to be blocked. At the same time, card number should be written in a diary at home and

*Former Vice President, Axis Bank.

could be kept with a reliable relative because simply having a toll free number would be of no use unless the card number is provided to the toll free number of the bank. Measures undertaken by bank also need to be appreciated. It has been their constant endeavor to upscale their technology with customer centric approach to bring down debit card frauds. The complete message now appears on the mobile screen with the amount and the purpose where the card is swiped on POS or withdrawn from ATM with the toll free number which the customer can use to immediately revert in case the transaction has not been processed. Another important lesson to be shared with customers is to read the full message on the mobile screen after completing the point-of-sale (POS) or ATM transactions. This is where digital awareness on banking has become very important.

Senior citizens, house holders and other soft targets could be given two passwords instead of one password for withdrawal of cash and POS transactions. It will be too cumbersome for senior citizens and not very digital savvy customers to part with two passwords to the unscrupulous caller resulting in prevention of frauds as the task would perhaps become unmanageable.

Further, in their internal database, banks could have few dummy cards in branches. These dummy cards would act as informers for catching the culprit who probably leaks the debit card information. In internal database, once the attempt of fraud is made on a dummy debit or credit card, source of leak of information would be exposed. Also, repeated messages should be passed on to the customers on ATM screens that, customers should never leave ATM unless a thank you, you may leave now message comes on the ATM screen.

Most of the time an important issue which customers face is while withdrawing cash from A bank's ATM using their debit card of B Bank and ending up not getting cash. To overcome such situation, customer, while opening their saving bank account, should be suitably guided on how ATMs functions and how grievances can be resolved to their satisfaction in respect of both banks' own and third arty ATMs

ATM is the most useful, hassle free and convenient innovation of the financial services industry for customers and couple of dos and don'ts would provide years of peaceful and pleasant experience of handing cash at ATM - anytime.



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वित्त, कौशल विकास और उद्यमशीलता

वित्त, कौशल एवं उद्यमशीलता में एक सहज एवं धनात्मक संबंध के साथ-साथ स्वाभाविक तारतम्यता भी दिखाई देती है। 1960 के दशक के अन्तिम चरण में भारत में 'ऋण केमाध्यम से विकास' के दर्शन का उदय हुआ जो 1970 के दशक के आरंभ में इस दिशा में साहसिक प्रयोग द्वारा और आगे की ओर अग्रसर हुआ। वास्तव में वित्त एवं उद्यमशीलता परस्पर जुड़े हुए हैं और हाल ही में कौशल विकास की अवधारणा ने इसमें एक नवीन गुणात्मक आयाम जोड़ दिया है। अतः अब वित्त, कौशल विकास और उद्यमशीलता की त्रयी से आर्थिक विकास को गति मिलेगी। इस दिशा में सार्वजनिक नीति का सर्वाधिक महत्वपूर्ण एवं सार्थक कदम थागारंटियों और संपार्श्विक प्रतिभूतियों को हटाने संबंधी प्रयोग और प्रतिभूति आधारित उधार से 'प्रयोजन आधारित' उधार की ओर प्रवृत्त होना। इस संक्रमणकाल के कारण ही उद्यमशीलता का यह समस्त विकास संभव हुआ है। यह नीतिगत हस्तक्षेप का बदलाव अवसर की समानता पर आधारित होने के साथ-साथ भारतीय संविधान के प्रावधानों और रोजगार प्रदान करने की जरूरतों के अनुरूप भी था और सर्वाधिक महत्वपूर्ण बात यह थी कि यह बदलाव इस अवधारणा पर आधारित था कि पूंजी की तुलना में योग्यता महत्वपूर्ण है। बहुत से विशेषज्ञ अब 'रोजगार' को देश के समक्ष प्रमुख दीर्घावधिक चुनौती मानते हैं। मूल समस्या 'अच्छे रोजगारों' की कमी है, जिनकी श्रम उत्पादकता अधिक हो और इससे शानदार आय प्राप्त हो। इस तरह के रोजगार व्यापक रूप से संगठित क्षेत्र में ही पाए जाते हैं, जबकि अधिकांश श्रमिक असंगठित क्षेत्र में ही फंसे हुए हैं। अब हमें इस बात पर ध्यान केन्द्रित करना है कि कम कुशल श्रमिकों के लिए संगठित क्षेत्र में रोजगार में वृद्धि कैसे की जाए? यहां पर कौशल विकास की भूमिका का महत्त्व सहजभाव से समझ में आ जाता है।

कौशल विकास

कौशल विकास आर्थिक विकास प्रक्रिया में केन्द्रीय भूमिका का निर्वहन करता है। कौशल विकास का उद्देश्य उद्योग की

कौशल आवश्यकता को पूरा करना तथा युवाओं को अच्छा रोजगार प्रदान करना है। इसलिए इन दिनों कौशल विकास एक निर्णायक भूमिका में है तथा आर्थिक विकास का प्रमुख चालक माना जाता है। एडम स्मिथ के समय से ही आर्थिक विकास में, गरीबी एवं असमानता को कम करने, अधिक सामाजिक-आर्थिक समानता के एक संभावित योगदाता तथा विकास को बढ़ावा देने वाले के रूप में कौशल विकास की भूमिका को व्यापक रूप से पहचाना गया। फिर भी राष्ट्रों के कल्याण में शिक्षा की भूमिका को टीडब्ल्यू शुल्ज के मानव पूंजी निर्माण सिद्धान्त के सूत्रपात के साथ ही अधिक स्पष्टता से मान्यता मिली (1961)। कई सहस्राब्दी विकास लक्ष्यों की जड़े वहां की जनसंख्या के कौशल उन्नयन में पायी गई। भारत का आर्थिक विकास विगत दो दशकों से सेवा क्षेत्र नीत रहा है, विशेषकर सूचना प्रौद्योगिकी और बाहरी स्रोत से सेवा प्राप्त (BPO) करने के कारोबारी प्रक्रिया के उद्योगों के विकास के बाद। हाल ही में विनिर्माण क्षेत्र का महत्त्व इसके उत्पाद में वृद्धि के कारण हुआ है। यह क्षेत्र रोजगार सृजन के लिए विशाल संभावना प्रदान करता है। इसके अतिरिक्त विकास का संवाहक होने के कारण एक कुशल श्रम शक्ति अर्थव्यवस्था में उद्यमीय भावना के विकास में योगदान देता है।

कौशल विकास की अवधारणा

कौशल विकास एक ऐसी योग्यता एवं क्षमता है जिसे सुविचारित, व्यवस्थित तथा अनवरत प्रयासों द्वारा जटिल क्रियाओं अथवा ऐसी रोजगार क्रियाओं जिनमें विचार (ज्ञान संबंधी कौशल), वस्तुएं (तकनीकी कौशल) तथा लोग (अन्तः वैयक्तिक कौशल) शामिल हैं, को सुलभता तथा अनुकूलतापूर्वक सम्पादित किया जाता है। फिर भी प्रशिक्षण तथा कौशल विकास के कई तरह के अर्थ हो सकते हैं क्योंकि इनमें व्यापक रूप से फैले तत्त्व विद्यमान हैं। कौशल एक तकनीकी के प्रामाणिक प्रयोग का संकेत है जो सर्वोत्तम रूप से एक शिल्प के रूप में जाना जा सकता है। इसका उदय यूनानी शब्द जंदम से हुआ है जिसका अर्थ शिल्प होता है। अतः कौशल किसी विशिष्ट उद्देश्य को

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प्राप्त करने हेतु एक विशेषीकृत अध्यापन विधि है। इस प्रकार यह शिल्प के विकास का एक ऐसा पहलू है जिसे एक निर्देशित उद्देश्य हेतु एक व्यक्ति की सिद्धि माना जा सकता है। कौशल विकास उस क्षमता को भी इंगित करता है जिसे शिक्षा और प्रशिक्षण के सभी स्तरों पर अर्जित किया जाता है। शिक्षा और प्रशिक्षण के माध्यम से प्राप्त किया गया कौशल एक उद्यमी को आजीविका अर्जित करने हेतु योग्य बनाता है।

भारत में कौशल विकास क्यों?

भारत में कौशल विकास ने परिवर्तनों के अग्रदूत के रूप में कार्य किया है, क्योंकि इसके द्वारा कर्मशाला को गुणवत्ता तथा उत्पादकता स्तर के मध्य एक तालमेल बैठाने का प्रयास किया गया है। इससे देश को अनुकूल जनांकिकीय प्रोफाइल का पूरा लाभ उठाने का मौका मिलेगा। भारत मानव संसाधन की दृष्टि से एक अमीर देश है, जहां इसके युवक को प्रशिक्षण तथा तकनीकी से सुसज्जित करके अधिक शक्तिशाली कार्यबल बनाना है। भारत एक युवा देश भी है जहां इसकी 45 प्रतिशत से भी अधिक जनसंख्या 20-35 वर्षों के आयु वर्ग में आती है। यह सुनिश्चित करने के लिए कि यह विशाल कार्यबल उत्पादक हो तथा भारतीय अर्थव्यवस्था के विकास में प्रभावशाली ढंग से योगदान देता है, कौशल विकास को प्राथमिकता के आधार पर हाथ में लिया जाना चाहिए। राष्ट्रीय कौशल विकास निगम (2014) द्वारा किए गए अध्ययन के अनुसार मांग पक्ष की ओर से अन्तराल यह दर्शाता है कि सन् 2022 तक 24 बुनियादी क्षेत्रों में 11.92 करोड़ कुशल जनशक्ति की निवल अतिरिक्त आवश्यकता है, जबकि पूर्ति पक्ष यह दर्शाता है कि सन् 2022 तक ही इतनी ही मात्रा (11.9 करोड़) में नया कार्यबल शामिल होगा और इसे भी सन् 2022 तक ही प्रबुद्ध रूप से प्रशिक्षित करना होगा। इसके अतिरिक्त पहले से विद्यमान 30.7 करोड़ कृषि और गैर कृषि कार्यबल को भी प्रशिक्षित, अधिक प्रशिक्षित व पुनः प्रशिक्षित करना होगा (भारत सरकार 2015) **भारत में जनांकिकीय लाभ 1983 से मिलना प्रारंभ हुआ और यह 2030 तक उपलब्ध है अतः भारत को बूढ़ा होने से पहले ही इन लाभों को भुनाना चाहिए। किसी देश (भारत) के इतिहास में यह मौका एक बार ही आता है।**

कौशल विकास और रोजगार

यह सत्य है कि कौशल विकास से उद्यमशीलता पनपती है और उद्यमशीलता से रोजगार को बढ़ावा मिलता है। इस सन्दर्भ में एक उपयुक्त प्रश्न यह उठाया जा सकता है कि कम कुशल श्रमिकों के लिए संगठित क्षेत्र में रोजगार वृद्धि कैसे की जाए? यहां पर कम कुशल श्रमिकों की बात इसलिए

की जा रही है क्योंकि भारत एक झटके में बड़ी छलांग लगाकर उच्च कुशल अर्थव्यवस्था में परिवर्तित नहीं हो सकता। अधिकतर श्रमिकों के लिए शीघ्रतापूर्वक उच्च प्रौद्योगिकी वाले रोजगार की चाहत करना आसमान से तारे तोड़ने की इच्छा रखना जैसा होगा। आशावादी मान्यताओं के साथ भी, भारत की आधी श्रम शक्ति आज से आरंभ करके 10 वर्षों के बाद भी केवल उच्चतर माध्यमिक अथवा उससे भी कम स्तर पर ही शिक्षित होगी, और श्रम शक्ति का एक तिहाई भाग केवल प्राथमिक शिक्षा या उससे कम स्तर पर ही शिक्षित होगा। यदि वास्तविकता धरातल पर गौर किया जाए तो, असंगठित क्षेत्र में पहले से ही विद्यमान या जनांकिकीय वृद्धि के कारण श्रम शक्ति में सम्मिलित होने वाली अल्पशिक्षित और कम कुशल लोगों के लिए करोड़ों की संख्या में उत्पादक रोजगार सृजन करने के लिए भारत मजबूर है। यह कहना जरूरी नहीं है कि भारत की पूंजी एवं कुशलता की प्रधानता वाली गतिविधियों में तेजी से वृद्धि हो सकती थी और इसे जारी रहना चाहिए। लेकिन ये सब गतिविधियां अन्तरराष्ट्रीय दृष्टि से प्रतिस्पर्द्धी होनी चाहिए, इनमें से भी बहुत सी गतिविधियां प्रतिस्पर्द्धी हैं भी। लेकिन भारत में समावेशी प्रकार की अतिरिक्त वृद्धि की तत्काल जरूरत है, जो संगठित क्षेत्र में अपेक्षाकृत कम कुशल वाले रोजगार में विस्तार के माध्यम से ही संभव हो सकती है। अब अगला प्रश्न यह है कि श्रम प्रधान उत्पादों के लिए मांग कहा से आएगी, इसका जवाब है कि इस मांग का कुछ हिस्सा भारत के विशाल आंतरिक बाजार से आएगा और कुछ अंश वैश्विक बाजार। जिसका आकार काफी विशाल है, से आएगा। रोजगार में वृद्धि में श्रमप्रधान वस्तुओं के निर्यात की भूमिका खास होनी वाली है। भारत में स्वचालित ढंग से यह अवस्था समाप्त होने में अभी एक या डेढ़ दशक का समय शेष है। रोजगार की समस्या के समाधान के लिए किसी भी जादुई समाधान का दावा करना व्यर्थ है। तीव्र वृद्धि होना अपने आप में समाधान का हिस्सा होती है। मजदूरी में छूट उपयोगी भूमिका का निर्वाह कर सकती है। यह तो स्वतः ही स्पष्ट है कि हमें आधारभूत संरचना एवं ऋण बाधाओं, भूमि अधिग्रहण की बाधाओं, कौशल की बाधाओं तथा 'कारोबार करने की सहूलियत में नौकरशाही की अनेक एवं दुष्कर अडचनों को दूर करना होगा, जो फर्मों की वृद्धि को रोकती हैं, विशेषकर उन छोटी फर्मों की वृद्धि को जो संख्या की दृष्टि से उद्योग और सेवाओं में प्रभुत्व रखती हैं। कौशल विकास से रोजगार सृजन का परिप्रेक्ष्य यह है कि केवल संसाधन ही नहीं बल्कि साधन संपन्नता का महत्त्व है अर्थात् योग्यता ज्यादा महत्त्वपूर्ण है। इस तरह से भारत की प्रगति के सम्बन्ध में सर्वाधिक महत्त्वपूर्ण बात यह है कि भारत में छिपी हुई उद्यमशीलता की

क्षमता को आगे आने दें। इसके पीछे महत्त्वपूर्ण उद्देश्य यह था कि जिसके पास प्रतिभा और सोच है, उन्हें पूंजी संबंधी कठिनाइयाँ न झेलनी पड़े। इसलिए भारत सरकार को नीतिगत हस्तक्षेप करना पड़ा जिसमें वित्त और ऋण सशक्तिकरण के माध्यम बने। सिक्योरिटी से ऋण को मुक्त करने के बाद समर्थ और इच्छुक, रचनात्मक और निपुण उद्यमी निधियों की कमी के कारण परेशानी नहीं झेलेंगे। उधार दी गई निधियों के लिए भौतिक संपत्तियाँ नहीं बल्कि उद्यमों द्वारा सृजित नकदी प्रवाहों का बट्टागत मूल्य सिक्योरिटी होंगी।

इससे उधार देने के संबंध में निर्णयात्मक परिवर्तन आया और ऋण देने की अवधारणा में तेजी आई, गतिहीनता में गतिशीलता आ गई। इसके अलावा यह व्यवस्था जन साधारण केन्द्रित थी। अस्थिर भौतिक पूंजी की अपेक्षा जीवित उद्यमी पर केन्द्रित थी। भारतीय रिज़र्व बैंक इस परिवर्तन में प्रमुख भूमिका अदा करता है। केवल उद्यमशीलता और वित्त ही पर्याप्त नहीं हैं। उद्यमशीलता के फलने फूलने के लिए अनुकूल परिस्थितियों का होना आवश्यक होता है। कारोबार पनपने के लिए अनुकूल वातावरण बनाने के लिए राज्य और केन्द्रीय सरकारों, भारतीय रिज़र्व बैंक और अन्य संस्थाओं द्वारा नई नीतिगत उपाय किए गए हैं। इनमें बुनियादी सुविधाएँ उपलब्ध कराना शामिल है, जैसे उधार देने के लिए वित्तीय संस्थाएँ, तकनीकी उन्नयन में सहायता, विपणन, परामर्श के साथ-साथ उद्यमशीलता के कार्यक्रमों के रूप में क्षमता निर्माण। क्षमता निर्माण का उद्देश्य है समाज में छिपी हुई योग्यताओं को खोज निकालना और उन्हें उचित मार्गदर्शन प्रदान करना ताकि जब उन्हें अवसर प्राप्त हों, वे इसका लाभ उठा सकें। ऐसी आशा भी की जाती है कि उद्यमशीलता के प्रयास न केवल रोजगार प्राप्त कराएँगे बल्कि इससे कारोबार भी यदि तेजी से नहीं तो लगातार आगे बढ़ता रहेगा, रोजगार के अवसर सृजित होंगे, विकास में तेजी आएगी और लोगों के स्थान परिवर्तन में कमी आएगी। आरंभिक क्षमता निर्माण पहलों में से एक थी "तकनीशियन योजना" जिसे गुजरात में दो राज्यस्तरीय एजेंसियों ने 1969 में शुरू किया था और इसके अन्तर्गत उन्होंने संपार्श्विक प्रतिभूतियों के बिना 100 प्रतिशत वित्तपोषण का लक्ष्य रखा। कालान्तर में यह पहल आईडीबीआई, आईसीआईसीआई और एसबीआई के संयुक्त प्रयास के रूप में 1983 में अहमदाबाद में भारतीय उद्यमशीलता विकास संस्थान की स्थापना के रूप में फलीभूत हुई। उसी समय से यह संस्था भारत में उद्यमशीलता विकास के प्रयासों का नेतृत्व कर रही है और एक शीर्ष निकाय के रूप में इसने भारत के आर्थिक विकास में महत्त्वपूर्ण भूमिका निभाई है।

उद्यमशीलता की अवधारणा एवं स्वरूप

शूम्पीटर और उसके काफी समय बाद में किर्जनर ने निश्चित रूप से यह सोचा कि उद्यमशीलता को जोखिम लेने की प्रक्रिया और मध्यस्थ के रूप में जाना जाए। वास्तव में अर्थशास्त्री उद्यमशीलता को प्रायः भूमि, श्रम और पूंजी की तुलना में उत्पादन के चौथे कारक के रूप में देखते हैं और उद्यमी को प्रवर्तक, जोखिम लेने वाले और मध्यस्थ के रूप में देखा गया जो नई प्रौद्योगिकी, प्रतिस्पर्धा लाता है और जिसने बाजारों का सृजन किया है। हाल ही में एक नई अवधारणा के रूप में "उद्यमशीलता पूंजी" का प्रचुरता से प्रयोग किया जा रहा है। एक संकल्पना के रूप में उद्यमशीलता कारोबार अथवा बहुत से कारोबारों को स्थापित करने की ऐसी गतिविधि है, जहाँ लाभ कमाने की आशा में वित्तीय जोखिम उठाई जाती है। नये कारोबारी अवसरों ने उद्यमशीलता को विशाल पैमाने पर प्रोत्साहित किया है। दूसरे शब्दों में उद्यमशीलता नये कारोबार को निर्मित करने, आरंभ करने तथा चलाने की एक ऐसी प्रक्रिया है, जो प्रारंभिक रूप से छोटे कारोबार के रूप में होती है। जो लोग इन कारोबारों को सृजित करते हैं, वे उद्यमी कहलाते हैं। समय बीतने के साथ-साथ उद्यमशीलता को बढ़ावा देने के लिए रणनीतिक उद्देश्यों में परिवर्तन आया है। लेकिन अर्थव्यवस्था में सक्रियता लाने का प्रयोजन वैसा का वैसा ही बना हुआ है। जब भारतीय उद्यमशीलता विकास की संस्थापना हुई थी तब यह आशा की जा रही थी कि उद्यमशीलता के कारण भारत के आर्थिक विकास में तेजी आएगी और रोजगार का सृजन होगा। आज की उद्यमशीलता पहल के भारत के आर्थिक विकास की गति को बरकरार रखने में सहायता कर रही है, आने वाले कल की उद्यमशीलता निश्चित रूप से भारत को नवाचार और विचारों के माध्यम से नेतृत्व के पायदान पर खड़ा कर देगी। इस तरह ये भारतीय उद्यमशील विकास संस्थान के पास नई तरह की उद्यमशीलता पूंजी के सृजन के लिए पूरे दो दशक का समय है। इस बात को अनुभव सिद्ध प्रमाण मिले जुले हैं कि उद्यमशीलता का स्तर और दर आर्थिक विकास, उत्पादकता अथवा रोजगार का पता लगाने के लिए महत्त्वपूर्ण साधन है। तथापि सामान्य धारणा यह है कि उद्यमशीलता मानवीय विकास के सन्दर्भ में भी महत्त्वपूर्ण है।

भारत में उद्यमशीलता के रूप

भारत में उद्यमशीलता चार प्रकार की है:

(अ) जीवन यापन के लिए उद्यमशीलता परियोजनाएँ जैसे पशुपालन, छोटेमोटे धन्धे इत्यादि शामिल हैं। इसके लिए

वित्त के साधन हैं, गरीबी उपशमन योजनाएं और आज इस प्रकार की उद्यमशीलता सूक्ष्म वित्तीय गतिविधियों और ग्रामीण क्षेत्र के बैंकों के लिए केन्द्र बिंदु बनी हुई है।

(ब) दूसरी तरह की उद्यमशीलता वह है जो उद्यमों के लिए आंतरिक कारोबारी समय पर भरोसा करती है। इसमें प्रमुख रूप से ऐसे व्यावहारिक/तकनीकी कुशलता वाले कर्मचारी शामिल हैं जो स्वयं ही छोटे मोटे सामान बना लेते हैं। प्रमुख रूप से इनसे पहले से स्थापित प्रौद्योगिकियां शामिल हैं और ये स्थापित बाजारों की आवश्यकताओं को पूरा करती हैं।

(स) तीसरी "एड ऑन" अथवा लाइफ स्टाइल उद्यमशीलता

जिसमें जीवन साथी अंशकालीन (Part Time) आधार पर कारोबार चालू करते हैं जैसे कि सिलाई, कैंटरिंग, अचार-पापड़ बनाना, ब्यूटी पार्लर, डे-केयर केन्द्र इत्यादि। ये विभिन्न कारणों से प्रेरित होते हैं, जैसे कुछ लोग इन्हें पैसे के लिए नहीं बल्कि इसलिये शुरू किये जाते हैं ताकि वे अपनी मर्जी के मालिक हो सकें और अपनी सुविधानुसार अपना समय निश्चित कर सकें। वैसे अधिकांश मामलों में यह देखा गया है कि इनमें से अधिकांश कारोबार तब तय किये जाते हैं, जब संकटकालीन समय आता है जैसे साथी की नौकरी छूट जाती है और घरेलू आवश्यकताओं को पूरा करने की जरूरत होती है। कभी-कभी ऐसा भी होता है कि इनमें से कुछ गतिविधियां इतनी सफल हो जाती हैं कि वे प्राथमिक गतिविधियां बन जाती हैं।

(द) चौथी प्रकार की उद्यमशीलता विचारों और नवोन्मेषता से प्रेरित होती है। विशेषरूप से ये नए छोटे उद्यम हैं जिनकी विकास योजना और एक्जिट स्ट्रेटेजी स्पष्ट रूप से निर्धारित होती है और ये निधि के लिए उद्यम पूंजी पर अथवा संस्थागत वित्त पर निर्भर रहते हैं। विशेषतौर पर इनमें नई अथवा सापेक्ष रूप से अप्रशिक्षित प्रमोटर शामिल होते हैं। ये उच्च जोखिम वाले उद्यम जब सफल होते हैं तो यह एक उपलब्धि सिद्ध होती है और उसमें काफी मात्रा में धन के सृजन की क्षमता होती है। ऐसी सफलता की कई कहानियां हैं। भारत इन क्रांतिकारी प्रौद्योगिकियों और अभिनव परिवर्तनों के मामलों में 500 वर्ष पीछे था जबकि पश्चिम में औद्योगिक क्रान्ति हो चुकी थी। भारतीय उद्यमशीलता का भविष्य तभी सुरक्षित है जब भारत अपने सबसे बड़े संसाधन— अपनी प्रतिभाओं को पूरी तरह से दोहन करें। यही वह स्थान है जहां ज्ञान आधारित गतिविधियों में नए सुझाव देकर और नई प्रौद्योगिकियों का

प्रयोग करके अपना योगदान दे सकते हैं।

उपरोक्त विवरण का सार यह है कि उद्यमशीलता का वृद्धि और विकास दोनों पर ही प्रभाव पड़ता है। इसका प्रभाव न केवल रोजगार के सृजन, पिछड़े क्षेत्रों के विकास, आर्थिक केन्द्रीकरण को कम करने और नए विचारों को बढ़ावा देने के सम्बन्ध में पड़ता है, अपितु समाज की क्षमताओं को बढ़ाने और लोगों की स्वतन्त्रता और पसंदगियों को बढ़ाने पर भी पड़ता है। इसके अतिरिक्त यह उद्यमशीलता नवोन्मेष का क्षेत्र है, विशेषतः ज्ञान आधारित उद्योग में जिसने भारत को आर्थिक नेतृत्व की भूमिका निभाने की स्थिति में लाकर खड़ा करने की क्षमता है जो परिणामतः हमारे विकास के मार्ग में सहायक हो सकता है। आज अन्तरराष्ट्रीय रूप से अन्तः सम्बद्ध अर्थव्यवस्था में अनुभव से यह पता चला है कि आर्थिक विकास उद्यमशीलता एवं नवोन्मेष सृजन से जुड़ा हुआ है तथा राष्ट्र निर्माण में लघु एवं मध्यम उद्यमों का विकास का अंतरंग भाग है, विशेषकर भारत जैसे विकासशील देशों में ये उद्यम औद्योगिक आधुनिकीकरण के लिए न केवल सशक्त प्रेरक शक्ति है, अपितु आर्थिक वैश्वीकरण की ओर अग्रसर होने वाले राष्ट्रों के लिए सर्वाधिक लाभप्रद शक्ति होती है। लघु उद्यम भारतीय आर्थिक विकास में वास्तव में आधारभूत शक्ति बन चुकी है तथा उद्यमियों के कौशल को भी बढ़ाती हैं। 1990 के बाद से भारतीय आर्थिक वृद्धि में रूपान्तरण हुआ है। अन्तरराष्ट्रीय मुद्रा कोष की भविष्यवाणी के अनुसार भारतीय अर्थव्यवस्था एक—दो वर्षों में चीन की अर्थव्यवस्था से अधिक तेजी से विकास करना आरंभ करेगी। यह सब कौशल विकास के कारण ही संभव होगा जिससे उद्यमशीलता को बल मिलता है, जो सब सर्वांगीण प्रयासों का ही एक प्रतिबिम्ब है। **इसलिए यदि चीन को विनिर्माण की फैक्टरी माना जाता है, तो भारत को विश्व की मानवीय संसाधन पूंजी की फैक्टरी बनना चाहिए।**

उद्यमशीलता और वित्त

अब इस बात का परीक्षण करना आवश्यक हो जाता है कि उद्यमशीलता में वित्त की क्या भूमिका है? उद्यमी विचार, तकनीकों, नए विचार और उत्साह से भरा होता है जो उद्यमशील पूंजी का निर्माण करते हैं, किंतु इस सम्बन्ध में वास्तविक स्रोतों पर नियंत्रण होना चाहिए। ऐसा वित्त प्रदान करके ही किया जा सकता है। इस तरह से वित्त उद्यमशीलता का चौथा साधन बनने में मदद करता है। भारत में कई प्रकार से देश के विकास में ऋण प्रदान करने की अवधारणा की अगुवाई की है। इस सबका मूल उद्देश्य गरीबी उपशमन और रोजगार सृजन करना था। उद्यमशीलता भावना को उजागर करने हेतु ऋण उपलब्ध कराने हेतु नीतिगत व्यवस्थाएं की गईं। यह आशा

की गई थी कि इसके फलस्वरूप बड़ी संख्या में लोगों को गरीबी के दुष्क्र से मुक्ति मिलेगी, रोजगार का सृजन होगा, विकास में तेजी आएगी और ग्रामीण क्षेत्रों से शहरों की ओर हो रहे पलायन में कमी आएगी। नीतिगत उपायों में प्राथमिक क्षेत्र को उधार देने की अवधारणा शामिल है, जो सकारात्मक उपायों के माध्यम से सूक्ष्म, लघु एवं मध्यम उद्योगों को ऋण प्रदान करता है। 10 लाख रु. तक (सीजीटी एमएसई के अन्तर्गत कवर होने वाले ऋणों के अन्तर्गत 2 करोड़, और ट्रेडर्स ऋण में 1 करोड़ तक) ऋण के लिए संपार्श्विक मुक्त उधार, बैंकों द्वारा एक करोड़ तक के ऋण को 59 मिनट में सैद्धान्तिक स्वीकृति और तेजी से कार्यवाही करने के दिशा-निर्देश, कार्यशील पूंजी और आवधिक ऋण के लिए कंपोजिट ऋण की अनुमति प्रदान करना, अधिकांश जिलों में विशेषीकृत सूक्ष्म, लघु एवं मध्यम उपक्रमों की शाखाएं, क्लस्टर सेंटर अप्रोच को अपनाना, सूक्ष्म लघु एवं मध्यम उपक्रमों के आपूर्तिकर्ताओं को किए जाने वाले भुगतानों को शीघ्रता से निपटान के लिए दिशा-निर्देश, सूक्ष्म, लघु और मध्यम उपक्रमों से संबंधित मामलों को निपटाने के लिए सामूहिक मंच जिसमें अन्य उपायों के अलावा राज्यस्तरीय अंतर संस्थागत समितियां भी शामिल हैं, इस तरह की नवीनतम व्यवस्थाएं हैं। आज सिडबी, नाबार्ड, आयात-निर्यात बैंक, आवास वित्त संस्थाएं और राज्य वित्त निगम जैसी संस्थाएं, विभिन्न वाणिज्यिक बैंक और साथ ही उद्यम पूंजी प्रदाता और सूक्ष्म वित्त संस्थाएं छोटे उद्यमियों को वित्त उपलब्ध कराने के लिए और उद्यमशीलता को बढ़ावा देने के लिए वित्तीय बुनियादी सुविधाओं का हिस्सा बनी हैं। इन वित्तीय संस्थाओं ने उद्यमशीलता को बढ़ावा देने की दिशा में काफी महत्वपूर्ण भूमिका निभायी है। पहला, वे परामर्श संगठनों के नेटवर्क की स्थापना के माध्यम से उद्यमियों को कम लागत में परामर्शदात्री सेवाएं उपलब्ध कराने में सहायक हुईं। दूसरी बात यह है कि उन्होंने देशभर में और समाज के कमजोर वर्ग के उद्यमियों की प्रथम पीढ़ी को वित्तीय सहायता प्रदान कर उद्यमशीलता की संस्कृति को फैलाने में सहायता की। तीसरी बात यह है कि उद्यमशीलता विकास कार्यक्रमों के माध्यम से क्षमता निर्माण में उनका सहयोग उल्लेखनीय है जो कि भविष्य में उद्यमियों को उधार देने की एक पूर्व शर्त है। अंततः वे कई सरकारी कार्यक्रमों जैसे प्रधानमंत्री रोजगार कार्यक्रमों को लागू करते हैं। ये कार्यक्रम न केवल प्रोत्साहन और सब्सिडी उपलब्ध कराते हैं, बल्कि तकनीक कौशल, हैंड होल्डिंग समर्थन और सहायता भी प्रदान करते हैं। कौशल को उत्पादकता तथा रोजगार सृजन से सफलतापूर्वक जोड़ने के लिए, कौशल विकास सम्बन्धी नीतियों को तीन उद्देश्यों के इर्द-गिर्द ध्यान रखना चाहिए—

- (अ) कौशल की चालू मांग से आपूर्ति का मिलान करना।
- (ब) श्रमिकों तथा उद्यमों को परिवर्तनों से समायोजित करना, तथा
- (स) उन नवीन तथा भिन्नीकृत कौशलों का पूर्वानुमान लगाना तथा प्रदान करना, जिनकी आवश्यकता भविष्य में होगी।

अन्तरराष्ट्रीय श्रम संगठन के निष्कर्षों के अनुरूप अपनाए गए प्रारूप में सरकारों तथा सामाजिक भागीदारों के लिए प्रमुख जिम्मेदारों के लिए प्रमुख जिम्मेदारियों की पहचान की गई तथा पांच क्षेत्रों में इनके कार्यालय से सहायता प्राप्त करने हेतु प्राथमिकता भी तय की गई—

1. कार्यस्थल पर तथा मूल्य श्रृंखलाओं के साथ कौशल विकास को बढ़ावा देना।
2. परिवर्तन के वैश्विक संवाहकों (चालकों) को प्रबंधित करने में सहायता प्रदान करना।
3. वर्तमान तथा भावी कौशल आवश्यकताओं की पहचान से पहचान करना ताकि राष्ट्रीय एवं क्षेत्रक रणनीतियां बनाई जा सकें।
4. शिक्षा, कौशल विकास, श्रम बाजार तथा जीवन पर्यन्त सीख को जोड़ना।
5. उन लोगों की जो समाज में अपवंचित हैं, की शिक्षा तथा प्रशिक्षण तक पहुंच में विस्तार करके सामाजिक समावेशन को बढ़ावा देना।

यह ध्यान में रखना होगा कि उद्यमशीलता और वित्त स्वयं में साध्य नहीं हैं। इसके लिए अनुकूल वातावरण की आवश्यकता होती है और तभी सरकार की भूमिका आरंभ होती है। वित्त की प्रतिपूर्ति के संबंध में उद्यमशीलता के फलने फूलने के लिए अनुकूल वातावरण चाहिए। एक नए उद्यमी को क्या सहयोग प्राप्त हो सकता है? सर्वप्रथम केन्द्र और राज्य सरकारों ने केन्द्र, राज्य जिला स्तर पर एक ऐसा ढांचा तैयार किया है, ताकि उद्यमियों के लिए अनुकूल वातावरण तैयार किया जा सके। बुनियादी ढांचे के अन्तर्गत आरंभ की जाने वाली परियोजनाओं को प्रदान की जाने वाली तकनीकी परामर्श सुविधाएं और परामर्शदात्री सेवाएं शामिल हैं। इनमें बुनियादी ढांचे के संबंध में की गई कई पहले काफी पहले से ही आरंभ की गई जब कई संस्थाओं का गठन किया गया। इनमें से कुछ संस्थाएं थीं— 1954 में स्थापित लघु उद्योग विकास संगठन, लघु उद्योग सेवा संस्थान जिसे अब सूक्ष्म, लघु और मध्यम उपक्रम विकास संस्थान के नाम से जाना जाता है, जिला उद्योग केन्द्र

इत्यादि। इन संगठनों की अपनी समस्याएं थी, किंतु अब वे स्वयं बदलाव के चरण में हैं। उदाहरणार्थ लघु उद्योग विकास संगठन, लघु उद्योग सेवा के लिए समर्थन, हैंड होल्डिंग और मदद देने वाली एजेंसी है जो लघु उद्योग क्षेत्र को व्यापक सेवाएं उपलब्ध करा रही है। प्रथम योजना में अन्तरराष्ट्रीय योजना दल के सुझावों पर चार प्रादेशिक लघु उद्योग सेवा संस्थान (SISI) स्थापित किए गए और राष्ट्रीय लघु उद्योग निगम (NSIC) स्थापित किया गया। इसके अतिरिक्त प्रथम योजना की अवधि में केन्द्र ने विभिन्न उद्योगों के विकास के लिए 6 बोर्ड भी स्थापित किए थे:

1. अखिल भारतीय हस्तकला बोर्ड 2. अखिल भारतीय खादी एवं ग्रामोद्योग बोर्ड 3. नारियल रेशा बोर्ड 4. केन्द्रीय रेशम बोर्ड 5. लघु विकास बोर्ड 6. खादी व ग्रामोद्योग कमीशन (1956 में स्थापित)

उपरोक्त वर्णित संस्थानों के अतिरिक्त औद्योगिक विस्तार सेवा, औद्योगिक बस्तियां (Estates), टूल डिजाइन का केन्द्रीय संस्थान हैदराबाद, विद्युत माप-यन्त्रों के डिजाइन का संस्थान मुम्बई, लघु उद्योग विस्तार व प्रशिक्षण का राष्ट्रीय संस्थान, हैदराबाद एवं उद्यमशीलता व लघु व्यवसाय विकास आदि के लिए राष्ट्रीय संस्थान, नई दिल्ली। इन विभिन्न संस्थानों की स्थापना का उद्देश्य डिजाइन, विस्तार, प्रशिक्षण, उद्यमशीलता व लघु व्यवसाय के विकास से सहायता करना रहा है।

इस दौरान एक महत्वपूर्ण उपलब्धि यह रही कि क्षमता निर्माण के प्रयास काफी अधिक थे। इनका आयोजन न केवल राष्ट्रीय और राज्यस्तरीय संस्थानों और सूक्ष्म, लघु एवं मध्यम उपक्रम संस्थान द्वारा किया जाता है, बल्कि विभिन्न औद्योगिक प्रशिक्षण और व्यावसायिक प्रशिक्षण संस्थाओं द्वारा एमएसएमई मंत्रालय द्वारा समर्थित विशेषीकृत पाठ्यक्रम द्वारा किया जाता है। भारतीय उद्यमशीलता विकास संस्थान (EDI) न केवल नए उद्यमियों के लिए योग्यता के संरक्षण का कार्य कर रहा है जो अपनी जोखिम लेने की क्षमता के साथ-साथ देश की आर्थिक पृष्ठभूमि ही बदल देंगे, बल्कि उन आशावादियों के लिए भी कार्य कर रहा है जो अपने नए और प्रभावशाली विचारों से देश और दुनिया को बदलने की चेष्टा करते हैं और गैर सरकारी संस्थाओं के प्रबंधन संबंधी पाठ्यक्रम के माध्यम से दूसरों के जीवन में परिवर्तन लाते हैं।

सरकारी नीति का एक अन्य पहलू यह रहा है कि उद्यमशीलता की संस्कृति विकसित की जाए। यह प्रयास शिक्षण पाठ्यक्रम में उद्यमशीलता को शामिल करके किया गया है। देशभर में उद्यमशीलता विकास कक्षों की स्थापना की गई है। इसके

बाद विज्ञान और प्रौद्योगिकी पार्क कार्यक्रम आरंभ किया गया जिसका संचालन राष्ट्रीय विज्ञान प्रौद्योगिकी उद्यमशीलता बोर्ड ने किया। विज्ञान और प्रौद्योगिकी उद्यमी पार्क का प्रमुख उद्देश्य है कि वह शिक्षण, अनुसंधान और विकास संस्थानों तथा उद्योग जगत के बीच समन्वयन स्थापित करें। प्रौद्योगिकी कारोबार संरक्षण तंत्र द्वारा नए उद्यमियों को महत्वपूर्ण समर्थन सेवाएं और सहयोग और समर्थन के लिए आवश्यक सुविधाएं उपलब्ध कराई जाती हैं। अंततः कई हैंड होल्डिंग सेवाएं सामने आई हैं, जैसे कि राजीव गांधी उद्यमी मित्र योजना जो समर्थ उद्यमियों की पहली पीढ़ी, जिसने उद्यमशीलता विकास कार्यक्रम अथवा व्यावसायिक प्रशिक्षण कार्यक्रमों को पूरा कर लिया है, उन्हें हैंड होल्डिंग समर्थन और सहायता उपलब्ध कराती है।

अगला प्रश्न यह उपस्थित होता है कि क्या उद्यमियों को तैयार किया जा सकता है? यह प्रश्न प्राकृतिक रूप से पैदा होने वाले और बनाए जाने वाले "उद्यमीसंबंधी विवाद के साचें में ढला हुआ है। इसका कोई वैज्ञानिक अथवा प्रामाणिक उत्तर नहीं हो सकता। तथापि इतना अवश्य है कि उद्यमशीलता विकास कक्षों, विज्ञान प्रौद्योगिकी विकास पार्कों संबंधी कार्यक्रम और प्रौद्योगिकी कारोबार संरक्षण और एमएसएमई द्वारा की जा रही पहलों में निहित विचार यह है कि अनुकूल और सही वातावरण बनाकर और शिक्षा तथा क्षमता निर्माण के माध्यम से समाज में छिपी हुई उद्यमी प्रतिभाओं को सामने लाया जा सकता है और इस प्रकार संभवतः ऐसा अनुकूल वातावरण नए उद्यमियों को भी तैयार कर सकता है। समावेशी विकास के परिप्रेक्ष्य में भारतीय उद्यमशीलता विकास संस्थान में पढाया जा रहा पाठ्यक्रम महत्वपूर्ण हो जाता है। सामाजिक उद्यमशीलता शब्द नया है, लेकिन सामाजिक पूंजी से संबंधित कोई गतिविधि नयी नहीं है। अधिकांशतः सामाजिक पूंजी का सृजन आदर्शवाद और लाभ न लेने वाले क्षेत्रों द्वारा संचालित था, लेकिन यह विचार भी काफी फैलता जा रहा है कि समाज में सबसे नीचे के तबके के लोगों से सम्बन्धित कार्यों को भी करके लाभ कमाया जा सकता है और सेवाओं से वंचित समुदायों-ग्रामीण अथवा शहरी गरीबी की रेखा से नीचे या ऊपर के लिए आवश्यक सेवाएं और उत्पाद उपलब्ध कराकर भी लाभ कमाया जा सकता है। वास्तव में हम मानते हैं कि गरीबों के लिए किया गया व्यापार अमीरों के लिए किए गए व्यापार से कहीं ज्यादा लाभप्रद है। हमारे युवा उद्यमियों को इस प्रमुख बात से मार्ग निर्देशित होना चाहिए। यह विचार यद्यपि नया तो है, लेकिन साथ में प्रभावी भी सिद्ध हुआ है, लेकिन इतना अवश्य है कि हम एक कठिन क्षेत्र में काम कर रहे हैं। इसके प्रथम परिणामों को सृजित धन और पैदा किए गए रोजगार के रूप में आसानी से मापा जा सकता है। यहां पर यह स्वीकार करना

होगा कि सामाजिक उद्यमशीलता ज्यादा कठिन है। इसकी प्रभावोत्पादकता को समाज में आ रहे परिवर्तनों से मापा जा सकता है। सामाजिक परिवर्तन और सामाजिक पूंजी का सृजन निश्चित रूप से प्रशंसनीय गतिविधियां हैं, तथापि सामाजिक परिवर्तनों के संबंध में दिया जाने वाला कोई भी समर्थन और सृजित सामाजिक पूंजी की प्रकृति, मूल्यों पर आधारित है और इसलिए हमें एक समाज के मूल्यों को दूसरे समाज पर थोपते समय काफ़ी ध्यान रखना होगा।

उद्यमशीलता में नैतिकता का मुद्दा

ऐसा कहा जाता रहा है कि कारोबार में नैतिकता और मूल्यों की बात "आत्मविश्वास की कमी" से उत्पन्न होती है। ये चिंताएं अकस्मात होने वाली कार्पोरेट असफलताओं और भारत तथा विदेशों में हाई प्रोफाइल असफलताओं (वैश्विक मंदी) के चलते और भी बढ़ी हैं। इस स्थिति में अब प्रश्न यह उपस्थिति होता है कि नीतिपरक निर्णय लेने के लिए किन गुणों की आवश्यकता होती है। ये गुण निम्नप्रकार से अंकित किए जा सकते हैं:

(1) नैतिक मूल्यों को पहचानने की क्षमता (2) निर्णय के नीतिपरक परिणामों के संदर्भ में तर्क करने की क्षमता, (3) अस्पष्टता से निपटने की क्षमता, (4) साध्य और साधन के बीच अन्तर करने की क्षमता, (5) परिणामों को ध्यान से न रखते हुए दृढ़ विश्वास से आगे बढ़ना, (6) अपने जीवन में आगे बढ़ते समय आने वाले नीतिपरक दुविधाओं का सामना करने और उन्हें सुलझाने के लिए अपनी अखंडता बरकरार रखना। यहां यह उल्लेख करना महत्वपूर्ण है कि हमें खेलों से सीख लेनी चाहिए। खेलों में जीतना उतना महत्वपूर्ण नहीं होता जितना कि ईमानदारी से खेलना। ईमानदारी से खेलने से असफलताएं और हार हाथ लग सकती है, फिर भी हम जीवन के युद्ध में विजयी होते हैं। इस संबंध में तीन बातें महत्वपूर्ण हैं ताकि एक उद्यमी अपने जीवन पथ पर सफल हो सकें :

1. तीसरी पीढ़ी का शिक्षित बनाना अर्थात् सूचनाओं के संदर्भ में शिक्षित होना। भले ही उद्यमी को पढ़ना लिखना आता हो, लेकिन यह काफ़ी नहीं है। उद्यमी चाहे दूसरी पीढ़ी का शिक्षित हो अर्थात् वह कम्प्यूटर में शिक्षित है, वह भी पर्याप्त नहीं है, बल्कि उसे सूचनाओं के सन्दर्भ में शिक्षित होना चाहिए। जब वह ज्ञान आधारित समाज में प्रवेश कर रहा है और सफल उद्यमी बनने की ओर अग्रसर है तब यह अत्यंत महत्वपूर्ण हो जाता है कि वह सूचनाओं के सन्दर्भ में शिक्षित हो।
2. एक नया उद्यमी कुछ स्वप्न संजोकर औद्योगिक जगत में उतरता है तो हो सकता है, वह सफल हो, लेकिन कई

लोग असफल भी हो सकते हैं, लेकिन एक बात अवश्य ध्यान में रखें कि अच्छे समय में "आत्मसंतुष्ट" कभी न हो।

3. तीसरी बात यह है कि मानव जीवन में गतिविधियों में सरलता नहीं होती यह कठिन भी होता है कभी-कभी सभी बुरी बातें एक साथ घटित होती हैं। ऐसे समय में इन्हें कभी भी विचलित नहीं होना चाहिए क्योंकि अच्छा समय भी लौटकर आता है।

नवीनतम प्रवृत्तियां

नई सरकार ने कौशल विकास को गति देने के लिए "कौशल विकास एवं उद्यमशीलता" नामक एक अलग मंत्रालय स्थापित किया। राष्ट्रीय कौशल विकास निगम इसी मंत्रालय के अधीन कार्य करता है। कौशल विकास में निजी क्षेत्र की पहलों को शामिल करने हेतु इस निगम (NSDC) की स्थापना की गई है। यह एक निजी सार्वजनिक भागीदारी (PPP) वाला संगठन है जहां उसके बोर्ड में सरकार तथा उद्योग संघ के प्रतिनिधि भी शामिल हैं। राष्ट्रीय कौशल विकास निगम में 51 प्रतिशत इक्विटी निजी क्षेत्र के पास है और शेष 49 प्रतिशत भारत सरकार द्वारा रखी गई है। 2010 में निर्मित यह निगम व्यावसायिक रूप से लाभ न कमाने के आदर्श पर चलाई जाने वाली कम्पनी है जिसमें 31 क्षेत्रक कौशल परिषदें, 187 से अधिक प्रशिक्षण भागीदार तथा देशभर में 474 जिलों में फैले हुए 2930 प्रशिक्षण केन्द्र हैं। राष्ट्रीय कौशल विकास निगम को 2022 तक 150 मिलियन भारतीयों के कौशल को प्रशिक्षित करने का अधिदेश है।

प्रधानमंत्री कौशल विकास योजना

यह एक अभिनव कार्यक्रम है। सन् 2015-16 के बजट की उद्घोषणा करते समय, केन्द्रीय सरकार ने दो अंकीय वृद्धि का पथ दिखाने के उद्देश्य से एक मार्ग निर्धारित किया ताकि भारत दुनिया में सर्वाधिक तेज गति से बढ़ने वाली अर्थव्यवस्था बन सके। यह तभी हो सकता है जब दुनिया की कौशल राजधानी बनने के अपने स्वप्न को साकार करने हेतु अन्तरराष्ट्रीय मानदण्डों के अनुरूप अपने युवकों को प्रशिक्षित करें। भारत के पास यह एक अचूक मौका है जब वह इस बूढ़े होते विकसित विश्व में एक कौशल प्रदायक देश बन सके। राष्ट्रीय कौशल नीति के अनुसार सन् 2022 तक कौशल विकास का लक्ष्य 500 मिलियन रखा गया है।

कौशल मानचित्र (Skill Mapping)

भारत की कौशल संभावना को प्राप्त करने के तीन प्रमुख तरीके हैं—

(अ) कौशल अधिग्रहण (ब) कौशल का मिलान करना, तथा (स) कौशल का पूर्वानुमान लगाना।

इस परिप्रेक्ष्य में हमें बहुत कुछ करने की आवश्यकता है। कई श्रमिक अभी भी कम शिक्षित हैं और एमएसएमई इकाइयां अभी भी डिजिटल क्रिया में पूर्ण रूप से संलग्न नहीं हैं। भारत में सेवा क्षेत्र में वृद्धि हुई है, लेकिन रोजगार निर्माण क्षेत्र में मिल रहा है। इस प्रकार इसका एक ही विकल्प है और वह है, कौशल मानचित्र। कौशल मानचित्र का अर्थ है किसी विशिष्ट व्यापार व्यवसाय अथवा रोजगार स्थिति में प्रभावी तरीके से परिचालन करने के लिए आवश्यक विशिष्ट कौशल, ज्ञान, योग्यता तथा व्यवहार को पहचानना। "कौशल विकास एवं उद्यमशीलता" मन्त्रालय ने देश में 652 जिलों के लिए कौशल मानचित्र की जिलेवार कौशल विकास आवश्यकताओं को संकलित किया है। जिलेवार कौशल विकास जरूरतों प्रत्येक जिलों में स्थित और औद्योगिक संकुल (Cluster) के आधार पर उत्पाद विशेष के उत्पादन के लिए आवश्यक कौशल के प्रकार और इसके पश्चात बेरोजगार युवकों को प्रशिक्षित करने के लिए संचालित किए जाने वाले कार्यक्रमों को चिन्हित कर दिए गए हैं। प्रत्येक जिले के कौशल मानचित्र में, प्रत्येक जिले की प्रशिक्षण संस्थाओं की संख्या तथा तकनीकी संख्याओं सहित इंजिनियरिंग कॉलेजों की संख्या का विवरण होता है। एमएसएमई के विकास आयुक्त ने इन प्रत्येक जिलों का औद्योगिक प्रोफाइल तैयार किया है ताकि उद्यमी अपने कारोबार को चलाने के लिए सर्वोत्तम स्थान पा सकें।

कौशल विकास, आर्थिक विकास तथा उद्यमशीलता की प्रमुख सीखें

रोजगार क्षेत्र का एक ओर विरोधाभास है। कम उत्पादकता क्षेत्र अधिक श्रम बल नियुक्त करता है, जबकि उच्च उत्पादकता कौशलयुक्त क्षेत्र कम श्रम को काम पर लगाता है। इस स्थिति से छुटकारा पाने का केवल एक ही रास्ता है, यह है कौशल, पुनः कौशल युक्त बनाने की कोशिश करना और वर्तमान कौशल के स्तर को बढ़ाना। वास्तव में रोजगार की समस्या का समाधान करने का कोई अचूक तरीका नहीं है। हां, इस सन्दर्भ में मजदूरी में छूट उपयोगी भूमिका का निर्वाह कर सकती है। यह स्वतः स्पष्ट है कि हमें आधारभूत संरचना एवं ऋण बाधाओं, कौशल की बाधाओं तथा "कारोबार करने की सहूलियत" में नौकरशाही की अनेक दुष्कर अड़चनों को दूर करना होगा, जो फर्मों की वृद्धि को रोकती है, निर्यात प्रोत्साहन के गंभीर कार्यक्रम की भी जरूरत है, ऐसा विशेष रूप से भारत को वैश्विक मूल्य श्रृंखला में शामिल होने के लिए आवश्यक है। कारोबारी सुविधा, व्यापार, उदारीकरण (एक पक्षीय तथा क्षेत्रीय

व्यापार समझौते के माध्यम से), एवं वास्तविक तटीय आर्थिक अंचलों (वदमे), जहां पर फर्मों को मुक्त व्यापार परिस्थितियां उपलब्ध होती हैं, का भी सक्रियतापूर्वक अनुसरण करना होगा। यद्यपि, इनमें से किसी भी नीति के महत्त्व को कम करके बताए बिना, आज रोजगारप्रधान वृद्धि को सहारा प्रदान करने के लिए नीतिगत व्यवस्था करने के लिए श्रम बाजार सुधारों पर ध्यान केन्द्रित करना होगा। संगठित क्षेत्र में कम कुशलता वाले श्रमिकों की मांग कमजोर होने के पीछे प्रमुख कारण है – भारत के श्रम कानूनों एवं उनका विनियमन जो विश्व में सबसे कठोर प्रकार के हैं। इसलिए श्रम बाजार में किए जाने वाले सुधार तभी संभव हो पाएंगे, जब रोजगार समापन पर दिए जाने वाले लाभों को अधिक उदार बनाने, समग्र रूप से बेहतर सुरक्षा प्रबंध और रोजगार की तलाश एवं प्रशिक्षण की अधिक प्रभावी योजनाएं उपलब्ध हों।

- उद्यमशीलता में महिलाओं की भागीदारी अधिक नहीं है, इसलिए हमें सम्बद्ध रणनीति में क्रान्तिकारी परिवर्तन करने की आवश्यकता है;
- सभी के लिए गुणवत्तापूर्ण बुनियादी शिक्षा एक आम सहमत उद्देश्य है और आगे के कौशल विकास के लिए एक आवश्यक पूर्व शर्त है।
- कौशल को यदि उचित तरीके से विकसित किया जाए तो इससे (Citation) सम्मान मिल सकता है।
- व्यावसायिक शिक्षा को प्रशिक्षण तथा कौशल विकास से जोड़ने से यह विभिन्न क्षेत्रों तथा उद्योगों में श्रम बाजारों, उद्यमों तथा कार्य स्थलों की विकसित होती हुई मांगों की पूर्ति कर सकती है।
- प्रासंगिक उद्योग से परामर्श करके दीर्घकालीन प्रतिस्पर्द्धी मानकों को विकसित किया जाए।
- कौशल अपने आप में स्वतः अधिक एवं बेहतर रोजगार को सृजित नहीं करते। कौशल नीतियों को ऐसी नीतियों का भाग होना चाहिए जो उच्च वृद्धि तथा विनियोग, उच्च गुणवत्तावाली सशक्त रोजगार सृजन बुनियादी शिक्षा, स्वास्थ्य तथा आधुनिक संरचना, श्रम के कार्यों के प्रति सम्मान आदि के लिये सुचालक हो।
- व्यावसायिक शिक्षा तथा प्रशिक्षण संस्थाओं में सेवायोजकों तथा श्रमिकों के प्रतिनिधियों की सक्रिय सहभागिता कौशल के अन्तराल को पूरा कर सकती है।
- रोजगार सेवाएं तथा व्यावसायिक मार्गदर्शनयुवकों तथा श्रमिकों को बेहतर शिक्षा संबंधी चयन करने में मदद करते हैं।

- प्रशिक्षण तथा कौशल विकास को सुलभ बनाने वाली समर्पित नीतियां उन व्यक्तियों तथा समूहों को विकसित करने के लिए आवश्यक हैं जो अनेक प्रकार की बाधाओं से पीड़ित हैं।
- उपलब्ध मानकों का व्यवसायों के अन्तरराष्ट्रीय वर्गीकरण से तालमेल बैठाया जाए।

उपसंहार

वैश्विक चुनौतियों ने भारत को ऐसा अवसर प्रदान किया है कि वह अपनी युवा शक्ति के बलबूते विकास को बरकरार रखने हेतु प्रयोग कर सकने की स्थिति में हो। अर्थव्यवस्था के विभिन्न क्षेत्रों की कौशल आवश्यकताओं तथा दक्षताओं का उपयुक्त मानचित्र कौशल अन्तराल का मूल्यांकन करने तथा तदनुसार उपयुक्त नीतियों के निर्माण में उपयोगी हो सकता है। 1990 से भारत ने महत्वपूर्ण नीति सुधार देखे हैं। तब से अर्थव्यवस्था के उदारीकरण ने जहां एक ओर नई चुनौतियां फेंकी है, वहीं दूसरी ओर हमारी अन्तर्निहित खामियों तथा नियमन को भी उजागर किया है। आज जब अर्थव्यवस्था को विश्व व्यापार के सामने खोले हुए काफी समय हो गया है और हम वैश्वीकरण

तथा उदारीकरण से काफी आगे बढ़ चुके हैं, तो धारणीय विकास के लक्ष्य को प्राप्त करने के लिए हमें प्रतिस्पर्द्धी बढ़त की जरूरत है। अन्य बातों के अतिरिक्त, कौशल विकास एक ऐसा क्षेत्र है जो उद्यमशीलता की शुरुआत करने में निर्णायक है और इस प्रकार मानवीय पूंजी निर्माण से सकल घरेलू उत्पाद में भी वृद्धि होती है। कौशल निर्माण से उत्पादकता में भी वृद्धि होती है तथा उत्पादन लागत घटती है। क्योंकि क्रमशः चलने पर उत्पाद का विस्तार होता है। **इस प्रकार भारत के जनांकिकीय लाभांश का विदोहन करने की इस समय अत्यंत आवश्यकता है।** भूतपूर्व राष्ट्रपति डॉ. कलाम के अनुसार "शिक्षा प्रणाली का उद्देश्य शोध क्षमता बनाने के अतिरिक्त रोजगार पैदा करने वालों का सृजन होना चाहिए, बनिस्पत रोजगार ढूंढने वालों के, विश्वविद्यालयों से उत्तीर्ण होकर आने वाले स्नातकों को रोजगार संभाव्य से सम्बन्धित विशिष्टीकरण रखना चाहिए।" **इस सबसे ऊपर वित्तीय संस्थाओं को समय पर और पर्याप्त मात्रा में ऋण देकर वित्त, कौशल विकास एवं उद्यमशीलता को बढ़ावा देना होगा।**



Indian Institute of Banking & Finance

Winners of Micro Research Papers for the year 2018-19

We thank all the participants of Micro Research Paper Competition for the year 2018-19. The following candidates are selected for prizes:

I Prize : Rs. 10000 + Certificate
Topic: Crypto Currencies/Blockchain and the Banking System
Jointly written by: Dr. Bhupal Singh, Director, Monetary Policy Department, RBI & Mr. Shashi Kant, Research Officer, Department of Economic and Policy Research, RBI.
II Prize: Rs. 5000 + Certificate
Topic: Exchange rate volatility and its Macroeconomic implications: Empirical Evidence from India.
Ms. Aswathy Rachel Varughese, Economist, Manager, Canara Bank
III Prize: Rs. 3000 + Certificate
Topic: Bumpy Road for Payments Bank Regulatory Compliance and Competition Concerns Over Breakeven.
Jointly written by: Shri. Bibekananda Panda, Chief Manager (Economist), State Bank Institute of Consumer Banking, Hyderabad & Dr. Pradeep Kumar Pattnaik, General Manager & Director, State Bank Institute of Consumer Banking, Hyderabad.

We congratulate all the prize winners.

Mumbai
Date: 04th June 2019

Director (Academics)

Summary of Diamond Jubilee & CH Bhabha Banking Overseas Research Fellowship Report

Innovative Credit Products for MSME sector and to evaluate the Credit Guarantee Mechanism under CGTMSE and compare with Credit Guarantee Mechanism of Japan.

**Researcher: E. R. Muthuselvan, Assistant General Manager & Member of Faculty,
College of Agricultural Banking, Reserve Bank of India.**

Year 2014 -15

It is agreed all that the credit guarantee system is important for the support of Small and Medium Enterprises (SMEs) in India and Japan. The credit guarantee schemes have been devised such that the greater benefit accrues to small borrowers and credit flow is encouraged towards them. Appropriate provisions should be built in the scheme like guarantee fee, claim payout ratio and lower fee for the marginalised section so that the scheme is viable and can address the credit needs of vulnerable segments. Credit guarantee corporations are highly leveraged institutions. For example, in India, the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme with initial capital of ₹ 2,50,000 million is extending guarantee to the tune of Rs 1.2 billion, thus a leverage ratio of more than 25 times. Hence, appropriate regulation and capital adequacy norms are necessary to sustain the guarantee corporations.

Measures to improve credit guarantee coverage

- Product diversification is necessary and also critical to the financial sustainability of the CGTMSE.
- The scheme mandates the Member Lending Institution (MLIs) not to obtain any form of collateral. Reserve Bank has also mandated banks not to obtain collateral for loans upto Rs 10 Lakh. Mundra, 2016 mentioned that these provisions have not led to desired outcomes and the guideline on collateral-free loans has led banks to at times devise ways of denying credit to the Micro, Small and Medium Enterprise (MSMEs) borrowers, while on the other extreme, the provision for credit guarantee has potential to cause deterioration in quality of credit appraisal and due diligence, consequently straining the resources of the CGTMSE. Clearly, both outcomes are undesirable. It is advocated that borrower should be compensated by way of a better pricing in loan for the availability of collateral. Further, CGTMSE shall evolve a framework for making the pricing risk-based rather than having a uniform risk premium related to the past performance and quality of individual portfolios. Eventually, this activity should also move to an open market system. A risk based pricing and allowing banks to avail guarantee for the loans which are partially covered with the borrower's collateral will ensure better penetration of the scheme.
- CGTMSE should strive to have broad clientele base. The recent inclusion of NBFC- MFIs under the guarantee scheme is a welcome step. The other left out, yet having significant rural/ semi urban presence is the rural & urban co-operative banks. It is desirable to add the co-operative banks under the eligible member lending institutions.
- The CGTMSE needs to put in place a strong data analytics team and a robust oversight mechanism

over the MLIs. The advertisement from CGTMSE to recruit specialists for big data analysis is welcome step. A dedicated Data Analytics and Management Information System (MIS) Division needs to be set up in the CGTMSE to monitor the data on a regular basis and also develop system-based alerts for the top management of CGTMSE and the Controllers at the MLIs. It can also develop dashboards on critical parameters for regular monitoring by the management of CGTMSE and the Controllers at the MLIs. The CGTMSE also needs to put in place a robust mechanism to detect fraudulent claims. The dedicated Data Analytics and MIS Division can study the claims data and draw patterns through analytics for further scrutiny and action.

- The introduction of more products and private players is a must to prevent a monopoly situation and provide choice to the MLIs to either avail credit guarantees from public institutions or commercial guarantees from the private companies. The feedback from MLIs indicates that the absence of competition has severely impacted efficiencies in the pricing, settlement procedures, customer service, etc. at the CGTMSE.
- There is also a need to introduce counter guarantee and re-insurance companies, which serve as guarantors of guarantors and insurers of insurers. This will help promote more sustainable forms of guarantees in the market. Japan, for instance, has a network of 52 credit guarantee schemes backed by counter guarantee programmes. This allows smaller, regional agencies to focus on their own local industries, while a central agency oversees their working.
- CGTMSE should strive to have broad clientele base. The recent inclusion of NBFC-MFIs under

the guarantee scheme is a welcome step. The other left out, yet having significant rural/ semi urban presence is the rural & urban co-operative banks. It is desirable to add the co-operative banks under the eligible member lending institutions.

- There is a need for CGTMSE to be able to carry out field-level evaluations of the collateral-free loans being lent by the MLIs.
- Inclusion of retails trade in the scope of the scheme .
- Increase in the exposure cap to ₹ 5 crore.
- Allow collateral for the uncovered part of loan.
- Computation of annual service fee on outstanding amount rather than sanction amount and.
- Prompt settlement of claims.

In case of Japan, the Emergency Credit Guarantee Program which was introduced after the Global Financial Crisis in October 2008, has 100% guarantee and fixed fee rates were applied. These were characters of old system. Approval amounts of new loan guarantees jumped Yen 20 trillion in the year 2009. However, the scheme has its own issues. It is reported that non-viable SMEs have kept afloat due to various credit support policies after the Global Financial Crisis (GFC). Despite their low profitability and high leverage, there have been only limited restructuring or exits of nonviable SMEs, mainly due to the present credit guarantee system. Creditors and nonviable SMEs have little incentive to restructure loans. The size of individual SME loans is usually small and makes it too costly to restructure on a case-by case basis. In addition, recognizing the losses would reduce profit and capital, especially for smaller regional / shrinking banks that generally lack

expertise in business restructuring. India can learn from the experiences of Japan while revisiting its credit guarantee programme.

It is evident that no one size fits all approach in SME finance. Each nation has to study the operation of the credit guarantee scheme and tailor them accordingly. The Indian banks are facing asset quality challenges in all their portfolio. Apart from that, the banking system is also facing a key challenge on capital and human resources front. In fact, part of the asset quality problem is also attributable to poor underwriting

skillset of the bank staff for credit appraisal of large projects at the head office level and for lending to retail and SMEs at operating unit level. To address the issue, banks need to train the staff and mandatory certificate courses are to be prescribed. MSME branch managers and other field level functionaries need to be trained in credit appraisal, credit-score-based lending and SME cluster financing for MSMEs. With these measures from central bank and Government of India, the sector is poised to grow rapidly to leverage our demographic dividend.



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