



ABIMS Times

Newsletter of Al-Barkaat Institute of Management Studies, Aligarh

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No misfortune can happen on earth or in your souls but is recorded in a decree before We bring it into existence: That is truly easy for Allah. (Qur'an 57:22)

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Message



It is an immense pleasure to address you through this medium, the in-house newsletter of your institution. Such newsletters serve a very powerful means of communication amongst its all stakeholders and keep them updated on issues, events, happenings etc. which might have skipped attention of someone.

The theme of the present address that I thought of is 'professional ethics' among the would be managers. Harvard, one of the top most leading Business Schools of the world, administers an oath on its graduates who affirm that they would be honest and faithful in reporting corporate financial results of their organisations. I am sure if the graduates live up to the oath they take, scams like Satyam and Rajat Gupta would never take place.

In this regard, Al-Barkaatians have more responsibility than graduates of any other institution because of the philosophy its promoters subscribe to and profess. The philosophy, as known to all Al-Barkaatians is based on oneness, global brotherhood and self sacrifice. Its graduates are expected to not only live up to its mission but exceed that. Following these ethics, I am convinced that you will scale greater heights in the long run. Temporarily, you may, at times feel disturbed but it is ultimately the professional ethics, honesty and sincerity which will determine your success in this world and hereafter. I pray Allah SWT for your success in this world and hereafter.

Prof. Javaid Akhter

Director's Message

I am happy that the newsletter for the quarter ending July, 2013 is ready to be printed. It has regularly been communicating to its readers about the events, activities and achievements of Institute. This issue is coming out with various celebration news of Institute, the information on students' achievements, a write-up of faculty member, the information on upcoming events of Institute etc.

This quarter has been comparatively less engaging in terms of classroom teaching & co-curricular activities of students due to their non-availability in Campus on account of post Session break and their Summer Training Project assignments. After their semester examinations concluded by mid of June, 2013 the 1st year students proceeded for Summer Training Projects to their respective organizations identified for the purpose having situated at different locations and final year almost 90% of students except those few who are either intending to pursue higher education or joining their family business establishments, got placed for jobs with reputed organizations with attractive packages. Their examination results had been declared by the University and of the final year there are around 70% students who secured 1st division and remaining 30% secured good 2nd division marks. The 1st year result has equally been satisfactory. But I am more delighted to have seen this time's results that all three positions in order of merit have been captured by girl students not in final year alone but also in first year. This is something truly remarkable and they all deserve for our high appreciation and congratulations from our heart. They have proved it right that success comes with good planning and hard work. And I am sure that with the same success formulae they will be stepping into their professional life. I convey my best wishes to them all.

The new Academic Session 2013-14 has begun from July 31, 2013. The classes of final year have already started and the first year classes will commence from August 12, 2013; the admissions are continuing.

We are relentlessly equipping our students to growing challenges of the time. And as ever the Al-Barkat Institute of Management Studies and its dedicated team will remain committed to providing a quality and value based education to all its students.

My best wishes to all its readers and well-wishers.

Dr. Waseem Ahmad

Vision

To be a quality management institution of international repute, the Institute aims to work earnestly to get wide recognition and establish its academic credentials among business leaders, corporate community and academics through its contribution to knowledge, industry and society. To be devoted to holistic education and continuously evolve and develop its teaching methods to attain higher standards of utility and quality education. To encourage creativity and to develop scientific attitude with spiritual foundation.

Mission

To be a centre of excellence through academic research, industry partnership and consultancy.
To impart quality management education.
To offer opportunities for training and development to students for better placement.
To produce competent management graduates for responsible positions in the industry.
To produce character and to cultivate human values in students.

From the Editor

The admission process is on in full swing and the classes of the fresh batch will be commencing shortly. MBA First year students have completed their summer internships and the Final year students have already started working in the organizations they had joined courtesy the successful campus placement program. A lot of interesting activities are lined up in this session too. So just wait for the next issue of ABIMS Times!

Faraz Ahmad

Campus Buzz

Female Students Shine Bright

The results of both MBA Final and First year have been declared. In the final year, around 70% students have secured First Division with the average being around 70% marks and the first three positions were held by female students viz. Ms. Fauzia Khan (71.16%), Ms. Rashi Agrawal (70.76%) and Ms. Pooja Varshney (69.54%) respectively. In the First year also the female students occupied the top three positions viz. Ms. Sana Hashmi (71.65%), Ms. Shadma Zaheer (69.70%) and Ms. Chandni Garg (69.10%).



Release of 9th Issue of Al-Barkaat Journal of Finance & Management

This issue of our Journal carries articles from a variety of topics related to effects of corporatization of BSE, Islamic micro-finance, decision factors for credit derivatives in ICICI Bank, customers' behavior towards baby food, insurance facilities provided by life insurance companies in J&K, FDI led growth in Pakistan economy, marketing efficiency of mango fruit producers and factors for growth of financial planning profession in India.

The articles are divided into two categories viz. Research Articles and Contemporary Research Issues. This issue also carries a Book Review by Mr. S. Hameedur Rahman Zaini, Assistant Professor, ABIMS.

The Research article of Kushwah, Mathur and Negi, *Swings at Dalal Street: The Impact of Corporatization of BSE* explores the difference in return and volatility of stocks at BSE before and after its corporatization. The article *Islamic Micro Finance: Concept, Outreach and Conceptual Framework of Operations* authored by Khan and Ziaur Rehman examines Islamic micro-finance and the advantages like poverty alleviation





and sustainability it has over conventional micro-finance. Srivastava and Srivastava in their article, *Factors Determining Determining Credit Derivatives in ICICI Bank* have analyzed the trend of credit derivatives and identified the determinants for the use of credit derivatives at ICICI Bank. In his article, *Customers' Behaviour towards Baby Food Products – An Empirical Analysis*, Murugavel studies the awareness level, satisfaction level and problems faced by customers of baby food. The article authored by Dar and Bhat, *An Empirical Study of Life Insurance Facilities Provided by Life Insurance Companies in Jammu and Kashmir*, analyses the effect of demographic factors like age, education, gender and income level on the quality of insurance facilities provided and the customer satisfaction regarding those facilities. Ahmad and Wassan in their article *Does FDI Led Growth Exist in Pakistan Economy?* establish the causality relationship between FDI and economic growth and statistically test the impact of FDI based on three determinants viz. tariff rates, portfolio investment and openness of trade.

Our Contemporary research section carries article by Kumar, Dwivedi and Tiwari who in their article *Marketing Efficiency of Mango in Saharanpur District of Uttar Pradesh* explore the efficiency of various distribution channels for the supply of mango fruit from producer to customer. Alvi in his article, *A Study of Key Factors Responsible for the Growth of Financial Planning Profession in India* investigates the increasing role and scope of financial planners for personal finance and wealth management in Indian market and their future prospects.

In the book review of *The Winning Way – Learnings from Sport for Managers* authored by Anita Bhogle and Harsha Bhogle, Zaini has explored the highlights of the book. He has found book to be useful for all, especially for sports fans, who would like to apply the lessons from sports in business world.

Alvidai Taqreeb

Farewell party "Alvidai Taqreeb" was organized by the BBA & BCA First year students for BBA & BCA Final year students on May 9, 2013. It was a fun filled event with exciting performances like mimicry, singing and skits by the students which lifted the mood of the day. Mr. Sadiq Ali Ansari and Ms. Amna Salim of BBA Final year were adjudged as Mr. Farewell and Ms. Farewell respectively. Mr. Saiyed Danish Shaukat, BCA Final year and Ms. Subia Khan, BBA Final year were awarded the titles of Mr. Dynamic and Ms. Dynamic respectively. The program was followed by a sumptuous and scrumptious lunch. Faculty members were also present on this occasion.



Iftaar Party

A grand Iftaar Party was hosted by Prof. Syed Muhammad Amin, President, Al-Barkat Educational Society (ABES) on July 26, 2013. The guests together with the ABES family broke their fasts amidst the spiritually-charged atmosphere followed by the Maghrib prayer.



Faculty Buzz

- S. Ahmad Murtaza Alvi, Assistant Professor contributed a research paper on 'A Study of Key Factors Responsible for the Growth of Financial Planning Profession in India' in 9th Issue of Al-Barkat Journal of Finance & Management.
- A Book Review by Mr. S. Hameedur Rahman Zaini, Assistant Professor on 'The Winning Way - Learnings from Sport for Managers' Westland Books, New Delhi, 2011 authored by Anita Bhogle & Harsha Bhogle was published in 9th issue of Al-Barkat Journal of Finance & Management.
- Mr. Faraz Ahmad & Mr. S. A. Atif Salar, Assistant Professors attended a Capacity Building Programme for Social Sciences Faculty from May 30, 2013 to June 12, 2013 organized by UGC Academic Staff College, Aligarh Muslim University, Aligarh; sponsored by Indian Council for Social Science Research, New Delhi.

Summer Internships

A team of HR Executives from Mansar Finance visited ABIMS campus on May 21, 2013 to recruit MBA First year students for summer internships. Fourteen students were offered summer placements with the organization.

Job Fair

ABIMS in association with New Search Group organized a Job Fair on May 5, 2013. Many companies like RJT, BP Incorporate, Astha Nursing, GSR Group, Hotel Regent, New Search Group, E-fusion, Hotel Palm Tree, CEC, Family Pure RO, 32nd Mile Stone, Roto Power, EFS Facilities Services participated in it. Many students were offered multiple offer letters from the companies that participated in Job Fair.

This year about 90% of our students got finally placed with attractive packages in companies like Hotel Palm Tree, Vodafone, Genpact, E-Finanza Consulting, E-fusion, MSAI, Bharat Hume Pipes Pvt. Ltd., Aarkey Filters.





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Socially Responsible Business: A Ray of Hope

Faize Nabi, Associate Professor & Head-CDC

Recently, a fierce debate is promulgated with the indoctrination of "the Companies Bill 2012". The Bill imposes upon eligible business organizations, a CSR annual spending requirement, among certain other requirements. The Bill was passed by the Lok Sabha on December 18, 2012 and is now being considered in the Rajya Sabha. The CSR spending requirement would apply to companies registered in India with a net worth in excess of Rs 500 Crore, a turnover of Rs 1,000 Crore or more per year or a net profit of Rs 5 crore or more per year. These companies will be required to spend at least 2% of their entire net profits on CSR activities. According to the Bill, the priority areas for CSR spending include Education, Poverty, Employment & Training, Social business projects, Socio-economic development of Schedules Castes, Scheduled Tribes, other backward classes, minorities and women. The supporters of the Bill claim since businesses receive from the society and get rich, therefore, must pay back through CSR spending. On the contrary the opponents argue that the onus of social welfare lies upon the state so business must not be compelled to assume the responsibility which the state had failed to deliver.

Historically the concept of CSR is subject to much debate and criticism. Critics argue that CSR distracts from the fundamental economic role of businesses; others argue that it is nothing more than superficial window-dressing; still others argue that it is an attempt to preempt the role of governments as a watchdog over powerful multinational corporations (Prasad, 2010). According to Friedman (1970) corporation has no responsibility except making profit in legal way. CSR may only incur additional cost and hence would jeopardize overall performance and sustainability of an organization (Pikston and Carroll 1996, Henderson 2001). On the contrary the chief supporters of CSR including Carroll (1993, 1999), Donaldson and Preston (1995) and Freeman (1984) argue that a corporation has numerous responsibilities towards its stakeholder. Same thing mentioned by Lee & Kotler (2005) that Corporate Social Responsibility is a commitment to improve community well-being through discretionary business practices and contributions of corporate resource.

We need to shift CSR initiatives in organization from a process - something companies "do" - to something that is engrained into a company's fabric - something that is lived by every person inside an organization. It is important to consider 4 segments of sustainability in a business: Environmental Sustainability, Social Sustainability, Organizational Sustainability and Personal Sustainability. Especially in the current economic environment, most organizations place top priority on Organizational Sustainability. This includes traditional metrics such as cash-flow, revenues, order entry, or access to talent. Quite simply: without revenues or profits, the company cannot sustain itself.

Only recently, Environmental Sustainability has made its way into board rooms. A new focus is placed on sustainability of production & logistics, raw materials & supply chain, as well as buildings & operations. This is where most of the typical sustainability efforts in companies are focused, today. But environmental sustainability will only last as long as organizational sustainability is guaranteed. As revenues or profits are jeopardized, a ripple effect from threatened organizational sustainability harms any sustainability effort on social and environmental sustainability.



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Social Sustainability is what is often practiced in CSR programs: Its intent is to create sustainable and empowering relationships with its stakeholders. Personal Sustainability is commonly neglected in organizations. We get our paycheck, see that we don't work ourselves to death, but that's about it. There is little focus placed on contribution, balance, well-being, or on combining personal & financial growth - the things that nurture and sustain us as human beings. If Personal Sustainability is not attended to, Operational Sustainability, Social Sustainability and Environmental Sustainability can collapse in a heartbeat when crises hit - and we can expect crises to hit. CSR doesn't start with a program or a process; it starts with every one of us.

Currently the global public's expectation that business will operate in society's best interests has rapidly increased to an all-time high, while the public's perception that business is operating in society's best interests has rapidly declined to an all-time low. Several key factors have caused corporate social responsibility (CSR) to explode and finally make its way into mainstream business thinking in recent years: The rise of technology giving citizens immediate access to transparent information and news, The NGO sector's increasing sophistication in targeting corporate malfeasance, Workers demanding that their employers contribute to bettering the world, Pockets of consumer pressure, Generation Y proving to be the most cause-focused generation in decades.

Corporate social responsibility must be practiced like a business strategy: a business strategy that is integrated with core business objectives and core competencies to create business value and positive social/environmental value, and is embedded in day-to-day business culture and operations. If CSR is to be treated as a part of an effective corporate strategy, then its definition should in fact be unique to each firm based upon that company's specific objectives, risks, opportunities, and competencies (Kellie McElhaney in Sustainable Enterprise Quarterly, Volume 4, Number 1, September 2007).

The post-liberalization phase saw the increased presence of large transnational corporations like IBM in India which have highly developed corporate social responsibility initiatives based on the stakeholder participation model that were introduced in India by them. The success and effectiveness of these programs had a 'rub-off' effect on Indian enterprises, which were also operating in the same market, in their approach to corporate social responsibility initiatives. Secondly as Indian industry started competing in the developed markets of Europe, America and the Far East it had to comply with entry level norms like certification for responsible corporate practices like ISO 14000, SA 8000, AA 100 as well as compliance codes formulated by OECD and UN Global Compact which meant that they had to adapt new corporate social responsibility standards.

In an era of rapid changes in societal expectations and augmenting pressures for business to be ethical, socially-environmentally conscious and adhering to national and international norms of reporting their TBL impacts implies Indian corporate to join the global trend in order to stay ahead and competitive. Therefore, much will depend upon the intrinsic motivation of the corporate India. Of course, India Inc. has conscientized organizations like TATA, ITC, Reliance which have been engaged in voluntary CSR since long. Yet, a lot more organizations need to realize the importance of helping communities through CSR. The Companies Bill 2012 with compulsory provision for CSR spending is a welcome step.

Together; India Inc. and the central and state governments, must strive to make our country a better place to live for an ordinary citizen. One of the most important areas of corporate intervention may be the execution of social welfare programmes. Here, corporate may assist the state in effective implementation of social welfare program through deployment of trained manpower and tested tools and techniques of project execution and appraisal. Further, the governments (Centre and state) in India, owing to vast spread and volume of population are often incapable to reach the grass roots. With the active help from corporate they may design combined comprehensive measures and work towards attaining maximum benefit of the maximum numbers. The corporate-state alliance for integrated social welfare may produce a more 'socially responsible' corporate and more 'socially effective' state. But, a will supersedes a Bill. Therefore, to serve the purpose of good for all, conscious and self motivated business organizations committed towards their CSR imperatives are more desirable than the 'compelled' organizations.

Obituary



We deeply mourn the loss of Asad Afzal,
student of MBA First year, ABIMS.
Our heart felt condolences to the bereaved family.
Al-Barkaat Fraternity

Upcoming Events

Commencement of MBA Final year classes:

July 31, 2013

Orientation Programme & Commencement of MBA First year Classes:

August 16, 2013