FINDINGS

The findings of the automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies are as follows:

1. **Budget** - The automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies had their budget affected. The reduction of budget was due to current market conditions that impaired the financial forecast of most of these automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies. The alterations in the rates of inflation and conditions of the share market have instantly caused the decline in the profitability of the companies. The changes in the legislature policies creates difficult for the companies in giving projections of budget. If the businesses or industries are aware of pending legislation then they can plan accordingly before preparing the budget. After 2009 there is slight improvement in the allocation of budget as many reforms were taken by Government of India through Reserve Bank of India and companies of automobile and Hospitality and reality sector.

2. **Procurement of raw materials** - The procurement of raw materials of automobile companies was affected. Due to global recession the supporting companies including first-tier, second-tier, and third-tier suppliers could not provide various materials like metals, plastics, rubber, glass and fibers required in preparation and processing of the demand to complete the order of manufacturing the automobiles. The automobile companies could not produce enough goods to satisfy the demand as the price of procurement was more than the profit of selling the actual product.

3. **Production** - The production of automobile companies and Hospitality industries were affected. Due to global recession the automobile companies had to decline in their commercial and industrial activities. The production was affected as the price of the raw materials was increased and procurement of the raw material became difficult due to the transportation. The food production is the major component of the Hospitality sector as they are involved in establishments like transportation i.e. air, rail and road, outside catering, colleges, universities, Hospitals, prisons clubs casinos, functions fast food outlets, hotels, convention centre and community services. These were affected due to increase in the prices of meat, fish, bakery and vegetables. Few customers stopped coming to these establishments due to unemployment and as a matter of cost cutting.
4. Sales-The sales of automobile companies, banking and financial institution and Hospitality Industries were affected. Due to sliding economy that affected the Indian automobile industry with decrease in activity of selling and many joint stakes were being put on hold. The lack of finance and emerging interest rates were making the consumers to avoid from buying vehicles. The Japanese automobile firms like Toyota Motors and Honda Motor Company had to cut on their activities that led in the slashing of their production by thirty percent in 2009. The firm's Indian sales and production plant which is based in Bangalore had halted the production for eight days in a month. There was seven percent decline in sales due to emerging cost of the materials and a decelerating of rupee value. Even the India's largest automobile manufacturer Mahindra and Mahindra was not immunized which showed profit fall of twenty point six percent. The banking and Hospitality were affected with sale of tickets dipping, sales of policies, term deposits and many joint ventures were being put on hold. The reduction in the number of customers visiting the food joints or establishments was due to increase in the price of commodities.

5. Net profit-The net profit of automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies were affected. Most of these companies had their net profit in minus figures. The net profit of the automobile companies declined as sales of most of the companies were declined and many takeovers/acquisitions had to be put on hold. The high interest rates by the banks were preventing not only the consumers from buying vehicles but also owners to pay back their loans. Most of the automobile companies had to cut on their sales projections and also close down their outlets to rationalize the production costs. The revenues of the industry were declined from dollar five two five billion in 2008 to dollar four fifty five billion in 2009 due to rising fuel prices and exceptionally weak yields. The sales of most of these companies were also declined and many takeovers/acquisitions had to be put on hold. Most of the aviation companies had to cut on their sales projections and also close. If we look at the figures of the net profit earned by the real estate companies we find that they vary from 2004-2010 as the operations and sales slowed down due to global recession and the foreign institutional investors withdrew the money from the market in 2009. The Government of India has proposed few reforms to overcome recession.

6. Taxes-The taxes of automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies were affected. The taxes were reduced as the
operations and sales slowed down due to global recession and the foreign institutional investors withdrew the money from the market in 2009.

7. Employees-The change in number of employees in the automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies were affected during the recession. It was due to sudden reduction in creation of employment. The new appointees to the organizations were sent back home with advance three months salary due to company policy of cutting costs and salary of many employees were reduced by twenty percent of their actual salary.

8. Investments-The Investments of automobile companies, banking and financial institutions, Hospitality Industries and Real estate companies were affected. The size and high growth potential of the Indian car market has attracted several overseas players who have flourished their business in India. The Hyundai is the largest passenger car exporter and the second-largest car manufacturer in India. The company sold a total of six lakh vehicles in the year 2010–11. It further plans to invest dollar two fifty million by 2013.

9. Performance of shares/ stocks-The Performance of shares/ stocks of automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies were affected. Most of these companies are the components of BSE auto exponent. The share or stock rates of these companies have been drastically fallen causing agnosticism. The reduction of sales and profits of these companies which include demand and supply of the products, reduction in labour force, falling rupee value and inflation.

10. Assets-The assets of automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies were affected. There was reduction in number of investments made in assets as the Business activities and sales showed decline because of recession in 2010 and 2011. The affected sectors had to investment more on assets in order to earn more customers and to generate employment.

11. Liabilities-The Liabilities of automobile companies, banking and financial institutions, Hospitality Industries and Real estate companies were affected. There was decline in liabilities as companies had reduced in borrowing funds from the banks and other financial institutions or from money lenders. Even banks were facing difficulties in getting funds from their customers.
12. **Exports**- Most of the companies of Automobile had their exports affected. The exports from automobile constituents of India dropped to twenty five percent in the year 2012. It was due to the recession that hit Europe and Germany. As Europe imports thirty six percent of Indian automobile products. There is also tough competition with other Asian countries in the world market. If we look at China, its exports have raised from seventy three percent to dollar thirty nine billion. This creates pressure in pricing and delivery of the quality products thus reducing the margin of exports of auto products.

13. **Imports**- Most of the companies of Automobile had their imports affected. The imports of auto have been higher compare to the exports of the same causing imbalance in the balance of payments in the country. Though growth rate in imports have declined which in directly helped in decline of import of automobile products. With many domestic automotive industries calling for production cut to survive in the world market causing the automotive subsidiaries a botheration for two or three years.

14. **Fares of Hotels/restaurants in India**-The Fares of the Restaurants show variations because the Hospitality sector faced challenges like increase in the price of commodities, fewer competent workforce, and competition in fixing fares among the hospitality industries.

15. **Number of automobiles Manufactured**-Most of the companies of Automobile had their manufacturing of products affected. The reasons for decline in manufacturing of the products of these sectors are lack of workforce as few of the subsidiaries had to lay off their employees as a means of cost cutting. The production of automobiles had to be also reduced as the demand for it declined due to various factors like unemployment, increase in inflation rate and fall in Rupees.

16. **Parts of automobiles produced**-Most of the companies of Automobile had their manufacturing of spare parts affected. There was decline in manufacturing spare parts of the automobile products due to lay off of the employees as a means of cost cutting. The production of automobiles had to be also reduced as the demand for it declined due to various factors like unemployment, increase in inflation rate and fall in Rupees. The increase in spare parts and tools consumed is due to higher level of production. The promotional expenses have increased mainly on account of innovative products.

17. **Equity**-The equity of Automobile, Banking and Financial, Hospitality and Real Estate had their operations affected. The cost cutting by the employers or companies created
unemployment and led many people into poverty which in turn affected the sales and operations of the companies as among those unemployed were customers and shareholders who in good times formed the major factor for growth and development of many companies.

18. Growth of Companies during recession- Most of the companies of Automobile, Banking and Financial, Hospitality and Real Estate showed growth before and after recession. Before the global recession we can see that Acey Engineering Private Limited, Agra Engineering Company, ALD Automotive, Amforge Industries Limited, Arval India, Bajaj, CEAT Limited, Force Motors Limited, Mahindra and Mahindra limited, Maruti Udyog, Shah brothers, SK Group, Taj Auto Accessories and Tata motors have significantly increasing. Ashok Leyland, Asia Motor Works Limited, Balu India, Bharat Gears Limited, Ceekay Daikin Limited, Conwest Private Limited, TVS, Viral Engineers and Yamaha have attained breakeven. Eicher ,Hindustan Motors, Hero Honda, Kinetic motors, KLT Automotive and Tubular Products Limited shows fluctuations. Kumar Auto Sales shows significantly decreasing in growth. The automobile companies Acey Engineering Private Limited, Bajaj, Conwest Private Limited, Hero Honda, Kinetic motors, KLT Automotive and Tubular Products Limited, Kumar Auto Sales, SK Group, Tata motors, TVS, Viral Engineers and Yamaha had slightly positive impact on their growth after recession. The automobile companies Amforge Industries Limited, Asia Motor Works Limited and Shah Brothers had no impact on the growth after recession. The rest of the automobile companies had significantly positive impact on their growth after recession. The banking and financial institutions Catholic, Citigroup Private, Corporation, Dena, NABARD, NKGSB Co-operative, Oriental Bank of Commerce, Uco and United had attained break even in terms of growth before recession. The rest of the banking and financial institutions showed no change and few showed fluctuations in the growth. Showed significantly decreasing in the growth and significantly increasing in the growth. After recession Most of them had significantly and slightly positive impact on their growth, few of them had significantly and slightly negative impact on their growth and the rest did not show any impact on their growth. Most of these hospitality industries had attained break even, showed fluctuations, showed significantly decreasing and significantly increasing in the growth. The rest of the hospitality industries showed no change in terms of growth, Most of them had significantly, slightly positive impact, few of them had significantly and slightly negative impact on their growth and the rest did not show any impact on their growth. If we go through the real estate companies DLF, Ecohomes Constructions Pvt. Ltd, Garodia Group, Godrej, Hiranandani Developers
Pvt. Ltd, India Bulls, IRB, Rohan Builders, Royal, Sheth Developers Pvt. Ltd, and Tata had significantly shown increase in the growth, few of the real estate companies’ showed fluctuations and rest showed decrease in their growth before recession. After the global recession we can see that most of them showed significantly positive impact on their growth.

19. **Levels of Production during recession** - The levels of production of automobile companies. The worse affected automobile companies are, MRF, Tata motors, TVS, Viral Engineers and Yamaha. Agra Engineering Company, Arval India, Ashok Leyland and Maruti Udyog were strongly affected. Asia MotorWorks Limited, Amforge Industries Limited and Shah Brothers were somewhat affected. The automobile companies Acey Engineering Private Limited, Bajaj, Conwest Private Limited and SK Group were badly affected. The rest of the automobile companies were not affected by recession.

20. **Role of Branding** - The automobile companies, banking and financial institutions, Hospitality Industries and Real estate companies agree that branding plays an important role during recession. Before recession excluding Acey Engineering Private Limited, Agra Engineering Company, ALD Automotive, Ashok Leyland Company Maruti Udyog and MRF, the rest of the companies felt the branding was not so important. Branding before recession was done in small scale i.e. not religiously but casually. Most of these automobile companies strongly agree that branding plays important role in building a company and after recession it has become compulsory for the company to earn their image. Branding plays important role in building an image for any company. During recession it has become necessary for the companies to brand build their products and create an image of its own in the market. Actually we feel that recession period is our worse dimension for any business but it is proved to be the finest dimension for building the brands. Those companies who will invest in their brands will actually reap benefits in the longer run as their brands would have become the world’s best products or properties when the economy starts improving.

21. **Role of Media** - The automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies agree that Media plays important role in building the brand image during recession for those companies which have lost their production and sales due to global recession. The real estate companies are using media for doing promotions of their properties through advertising in televisions, newspapers, magazines and through sponsorships for any mega event.
22. **Challenges faced by the companies** - The automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies face challenges. Most of the automobile companies, hospitality sector, Banking and Reality Sector faced challenges in getting Fiscal Aid from the Financial Institutions, Getting raw materials, debt restructuring, Budget reductions and labour force for the construction of the sites and Getting Transport service. Most of the Hospitality sector faces challenges in terms of Lack of trained Professional, Language and cultural barriers, Rationalizing Personnel costs and Intensifying Alliances. Though the price of raw materials had been decreased, the transportation was difficult as most of the existing drivers and labour force denied to work because they were forced to work with less pay with no hike. Even getting fiscal aid also became difficult as the financial institutions themselves were running shortage of funds and employees.

23. **Impact of Budgetary Policies** - The automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies showed the impact of budgetary Policies during the recession. After recession Ashok Leyland, Bajaj and Mahindra and Mahindra limited were not affected by the budgetary policies. For the rest of the automobile sector the budgetary policies have provided relief as the new automotive policies were announced. Before recession, the Abhyudaya Cooperative, Canara Bank, Citizen Credit, Corporation, HDFC, Indian Overseas Industrial Development ING Vysa, Kotak Mahindra, LIC, Mahanagar Co-operative Bank Ltd, and Reserve Bank of India were not affected by the budgetary policies. After recession the Canara Bank, Central Bank Of India Citibank NA, Dena Bank, Deutsche Bank Indian Overseas Bank, Indusind Bank Ltd, Industrial Development Bank of India Ltd, Syndicate Bank Union Bank and United Bank of India were not affected by the budgetary policies. Most of the hospitality industries were relieved by the budgetary policies. The real estate companies Akruti City Limited, Ecohomes Constructions Pvt. Ltd, EKTA World Pvt. Ltd., Hiranandani Developers Pvt. Ltd, Indiabulls Real Estate Limited, Kumar Urban Development Limited, K. Raheja Corp, Lalani Group and Peninsula Land Limited were not affected by the budgetary policies after recession. For the rest of the reality sector the budgetary policies have provided relief as the new housing policies were announced. The policies were hundred percent foreign direct investments for automobile sector. The increase in levying customs duty on cars and multi utility vehicle has encouraged the domestic manufactures, created value addition and employment. In due course to as an initiative Government of India projects to manufacture fuel efficiency vehicles that consume less petrol and run on electricity.
24. Impact of Global recession on new projects- The automobile companies, banking and financial institutions, Hospitality Industries, and Real estate companies showed the impact of Global recession on new projects. These companies Acey Engineering Private Limited, Ceekay Daikin Limited, Force Motors Limited, Kumar Auto Sales Mahindra and Mahindra and MRF did not have any impact of recession on their new projects. The Abhyudaya Cooperative Bank Ltd, Bank of Maharashtra, Corporation Bank, Development Credit Bank (DCB), Indian Overseas Bank, ING Vysa Bank, Uco bank, and Vijay Bank did not have any impact of recession on their future projects. These companies Acey Engineering Private Limited, Ceekay Daikin Limited, Force Motors Limited, Kumar Auto Sales Mahindra and Mahindra and MRF did not have any impact of recession on their new projects. The projects were postponed due to the slowdown of the economy, shortage of funds and other challenges like getting Fiscal Aid from the Financial Institutions, Decrease in Imports, Decrease in Exports, Problem faced in Managing Human resources, getting raw materials, transportation of materials to the construction sites and shortage of labour force.

25. Impact on raw materials, Food beverages and fuel during recession- The raw materials before recession of automobile companies, banking and financial institutions, Hospitality Industries and Real estate companies. The rates on raw materials before recession was exhoboraint as the suppliers were providing commissions to their retailers and also discounts to their regular customers. The automobile companies, Hospitality Industries and Real estate companies had their raw materials affected. As per data the rates on raw materials after recession was less but fuel prices showed fluctuations as most of the suppliers had to shut down their Automobiles companies as they could not afford to give commissions to their retailers and also discounts to their regular customers. Hence government had to reduce the rates on raw materials for the uplift of the people of the country during the recession. The rates on food and beverages of Most of the Hospitality industries before recession was exhoboraint as the suppliers were providing commissions to their retailers and also discounts to their regular customers but after recession the rates on food and beverages was less as most of the suppliers had to shut down their units as they could not afford to give commissions to their retailers and also discounts to their regular customers.

26. Impact of rates of housing loan during recession- The rates on housing loan before recession was exhoboraint as these real estates' had their own financial help linked too many banks as well their own financial institutions giving loans to their clients without security deposit. The rates on housing loan after recession was less as most of the customers of real
estate had lost their jobs or were getting low salary due to market slowdown for which government intervened to reduce the loan rates. Most of them had worse and badly affected, few of them had strongly and somewhat affected their growth and the rest were not affected by recession.

27. Risk of second recession- There are chances of risk of having second recession which might wipe out many companies of automobile sector. Few Banking and Financial institutions and Hospitality industries disagree that recession will not affect their companies. Out of 51 real estate companies there are 47 Real estate companies which are likely to get affected due to the second recession.