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## *Editorial . . . . .*

*The Department of commerce have "Samanvaya" as its peer reviewed research journal which have traversed a long way of its journey. The journal is encompassing the field of Business, Management, Accountancy, Economics, Statistics Law, Insurance, Banking, Marketing Finance, Corporate Governance and Human Resource. The continuous changes in modern world are reflected with new research and findings which enrich the knowledge domain and helps the government of any nation through this newly developed concepts and ideas to run the country in a smart way.*

*The articles received by the journal are of leading thoughts of contemporary scenario of the country. Economic health of the country is marked by its dividend policy where price of share give the signal of progress. Profitability, leverage and New Companies Act- 2013 have a positive relationship with the market price of the share.*

*Any development in a country should be of sustainable in nature with environment friendly policies, which is also been rehearsed in COP27 held in Egypt so far as industry is concerned. Entrepreneurs are expected to assess the causal effect of sustainable Entrepreneurship Development and environmental balance in terms of equal development of human being.*

*Any development of trades specifically decided through country's EXIM policies. Look-East policy have empowered the government to rethink about its border trade and strategies. Indo Myanmar Border Trade in relation to North-East India is also revisiting the interdependence of the areas and strategies of trade development through bilateral trade. As a gateway to ASEAN nations Myanmar is playing a strategic role amongst those countries in the economic development of North-East Region (NER) and with respect the enhancement of volume of trade.*

*Market is the key word to the economic development. Online marketing have strengthened the connection between customers and the production houses by eliminating geographic boundaries. This online shopping or marketing system also gets direct feedback from the customers and can take steps for solution of the problem. Third party involvement helps the online marketing to run successfully. Apart from helping the online marketing, these third parties in the form of web designing, cookie developers, logistic service providers, IT service providers and open relay etc. also spreads their field of working and develops their own organization with numbers of employment generation with wider opportunities to conduct their own businesses. This is actually an opportunity to provide Business to Business (B2B) transaction facility offering dynamism to the global technology- oriented world.*

*An energetic, smart, dynamic human resource can develop the country economically, provided proper access to health service is available for him or her. As in developed countries of the world every citizen is entitled to health insurance policy coverage. But in our country it is still in its nascent stage where both the public sector and private sectors are operating in an upcoming way. Growth of the health insurance sector is facing challenges where citizen are not so conscious or educated to understand the benefits to be reaped economically. For widespread coverage and implementation of health insurance sector government is also coming forward and implementing many rules for the social benefits.*

*Entrepreneurs are the prime-movers of any nation. Innovative skills and management aptitudes qualifies a person to be an entrepreneur. Financial windows accessible to potential and small entrepreneurs have helped them to commercialize their innovations irrespective of challenges faced by the entrepreneur. Macro- economic environment, both monetary and fiscal policies all are creating a suitable atmosphere for the entrepreneurs who are innovating in the field of manufacture of parts for spacecraft, AYUSH medicines, food products etc.*

*COVID period of the world have taught how the all humankind have come to a halt. Offices, business houses, Industries, Educational institutions, all petty businesses have stopped working except health services. This era of COVID have helped the countries also to think in a different way. And the world have stood again with online learning, system-teaching, meeting discussing, running the corporation by work from home (a new concept still working with less establishment cost, a tricky and wise idea) which have helped in an immense way by reducing the cost and saving the time. In that crisis period, the teaching learning process have re-established itself with newer as well as already innovated technology have also increased the literacy rate. Distance learning have also imposed the deprived distressed and undereducated to achieve education and become a separate type of organization reaching to the remote areas covering all groups who could not achieve it earlier in their life.*

*The inverted articles are peer received with a Peer Review Committee. Any views expressed in this journal in the form of articles are the views of the author(s) and should not be considered as the views of the Editors and Committee and Editorial Board Members are no way responsible for the accuracy, completeness or suitability of the purpose of the content and disclaim all such representation and warranties whether expressed or implied to the maximum extent permitted by law. Suggestions are awaited and welcome for further development and improvement of the standard of the journal from various academicians, researchers and readers.*

*I express my heartfelt thanks to the author(s) for their contribution in the form of Research articles for the Research Journal, 'Samanvya' Department of Commerce, JI College.*

*I express my sincere gratitude towards the members of peer review committee for their support in the form of reviewing the articles. I am very much grateful to the Managing Editors Dr. Sudendra Kumar Das and all the members of the Advisory Board and Editorial Board. I extend my heartfelt thank to Principal, Dr. Bibhas Deb, J.C. College, Silchar for his all round support in the publication of this Research Journal. I owe to the Head, Department of Commerce, and all my Departmental colleagues, Junior Teachers in the Department of Commerce, J.C. College, Silchar Assam, for their constant support in all forms for completing and publishing the journal.*

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Silchar,  
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Dr. Sarbani Dutta  
Chief Editor  
'SAMANVYA'

# Dividend Policy, Determinants of Dividend Policy and Market Price of Share: Empirical Investigation of Private Sector Banks Listed in NSE

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## Abstract

*The paper examined the relationship between dividend policy, its determinants and market price of the share. The purposive sampling technique has adopted in the selection of sample and total five Private Sector Commercial Banks (PVBs) have been taken as a sample for the time period from 2009-10 to 2018-19. The secondary data was collected from the annual reports & websites of selected banks and the website of nseindia. A Karl Pearson's correlation analysis and multiple regression analysis have been carried through SPSS. The study found that the growth making banks have high market price of shares and found a positive significant impact on the market price of shares; dividend policy showed a strong negative relationship and the other variables, namely, Profitability, leverage and new companies act-2013 found a positive relationship with the market price of the share.*

**Key Words:** *Dividend Policy Theories, Dividend Policy, Determinants of Dividend Policy, MPS*

## INTRODUCTION

The evolution of government corporations in Western Europe and the USA had developed the practical concept of dividend policy in the world. The end of 16th and beginning of the 17th century had founded the first joint stock companies have paid dividends by distribution of the liquidation share after the successful return of venture. The dividend was paid either in the form of cash or commodities. Over the time, the dividend was exclusively based on profits and paid from the current year's earnings to the shareholders. At this stage, the regular

dividend payment concept was developed and as a result the companies got the confidence of investors. However, the negative effects of information asymmetry between shareholders and managers. When we look, on the Investors in an imperfect market have varying risk expectations. There may be risk-averse investors who do not trust in the promised potential return of the company after investing in retained earnings, including dividends. They prefer current income and lower their investment risk in order to ensure liquidity. Therefore, a great deal of attention is placed on the existing dividends that most investors prefer.

The Shareholders wealth maximization is a prime objective of any business which can be achieved through dividend distribution and capital appreciation. If the company pays a dividend, it will signaling positively that company's future is bright and is financially sound and it will ultimately increase its share prices in the market. The share price is decided on the basis of its demand and supply. There are many factors which affect the demand of share in the market and dividend is one of them. So, the study has taken specific variables namely, profitability, leverage, dividend policy, growth and changes in legal provisions to examine the impact on the market price of shares in Indian banking sector.

## **THEORETICAL FRAME WORK**

There are many theories propounded by different experts regarding dividend, some of them argued that dividend policy affect business and some told that dividend decision has not any impact on share prices.

**(Walter, 1963)** was a pioneer of relevance dividend policy. Dividend distribution affects the market value of shares. He explained his theory on the basis of rate of return on investment and cost of capital. He suggested different strategies for dividend distribution reference to developing firms, normal firms and declining firms and explaining the relationship between the internal rate of return and cost of capital, he propounded that investment decision and dividend decision, both are inseparable and interrelated.

**(J.M.Gordon, 1963)** A theoretical model that is used to value ordinary equity shares is the Gordon growth model. The model combines the retention of earnings and dividend growth and is thus often referred to as the valuation model of dividend growth. The Gordon model's key proposition is that the value of a share represents the value of the potential dividends attributable to that share. The dividend payments and their growth are, therefore, important to the valuation of the shares. The model holds that the market price of the share is equal to the amount of potential dividend payments for the share discounts. Thus this theory concludes that dividend policy affects the value of shares.

**Modigliani & Miller (M.M.)** notes that a company would attract stockholders whose interests in terms of payment pattern and dividend stability are associated with the payment pattern and dividend stability of the company. In other words, the presence of investor clienteles favouring the dividend strategy of a particular company should have no effect on share value. M.M. has also developed the Tax Differential Theory. To minimise the cost of capital and

maximise the value, a company should pay a low dividend. Therefore, low dividend yield shares are likely to be in high demand by high-rate taxpayers, who prefer a low dividend distribution and a high rate of earnings withholding, in the hope of an appreciation of the company's capital value. The tax system will appear to favour withholdings. As per the Signalling theory, the information's provides by the company has a significant impact on the market value of shares. There is a difference between the information possessed by management and stockholders. Generally, the information with management is more than shareholders. Dividend payment is a tool by which company conveys a positive signal regarding earnings, future growth and financial stability to shareholders. The firm can increase market value of shares by increasing dividend. When management wants to change dividend policy, by providing information about these changes to shareholders, the company gives positive signals of future earnings.

Therefore, the aim of the study is to investigate the impact of Dividend Policy & its Determinants on Market Price of Shares of Selected PVBs listed in NSE. This research explores the impact of dividend policy (dividend payout ratio), profitability (ROA), leverage (debt to total assets ratio), growth (LN of total income) and companies act- 2013 (dummy variable) in the determination of market price of share.

## REVIEW OF LITERATURE

**Table No. 1 Review of Literature**

Year	Author/s	Country	Objective	Research Methodology	Findings
2018	Dhaka N. & Shah A.	Nepal	To examine the Dividend policy, share prices & future profitability of selected commercial banks.	Multiple Regression Analysis	They found a significant negative impact of dividend yield and retention ratio with market price per share. While, EPS has positive significant impact. The changes in the rate of dividend didn't have a significant impact on future profitability also found by the study.
2017	Velankar N., Chandani A. Ahuja A.	India	To analyze the impact of EPS & DPS on stock price of PSBs in India	Multiple Regression Analysis	The result found significant effect of EPS & DPS on stock price.
2017	Gautam Ramaji	Nepal	To examine the Impact of firm specific variables on stock price volatility and stock returns of Nepalese	Two models of Multiple Regression Analysis	The result of model – 1 showed positive relation between market cap, leverage, dividend payout and dividend yield with stock return except book- to- market value. Growth and E/P ratio. The result of model – 2 found

			Commercial Banks		positive relationship of leverage, dividend payout and dividend yield on share price volatility.
<b>2016</b>	Harshapriya W.G.R.	Shri Lanka	The impact of dividend policy on share price volatility evidence from banking stocks in Colombo Stock Exchange	Multiple Regression Analysis Fixed Effect Random Effect Pooled OLS Models	The dividend payout and company size had insignificant positive relationship. On the other side, price volatility found negative significant relationship with a dividend payout.
<b>2015</b>	Bassey S. P. Nnejilkenna D. Nkamare	Nigeria	Impact of dividend policy on share price valuation in Nigerian Banks	OLS Multiple Regression Model	The found a significantly positive effect of dividend policy on market price per share and also has a positive effect on shareholders' wealth. While, the retention ratio showed significant negative effect.
<b>2014</b>	Masum Abdullah Al	Bangladesh	To analyze factors affecting market price of shares & impact of dividend policy on market price of shares.	Multiple Regression Analysis Fixed effect Random Effect	The study found a significant positive relationship between ROE and MPS, significant negative impact of dividend yield & PAT, negative retention ratio on MPS.
<b>2014</b>	Luvembe L., Mungai J. & Eddie S.M.	Kenya	To examine the Effect of dividend payout on market value of listed banks in Kenya	OLS Multiple Regression Model	The study found a significant positive relationship of capital structure, capital market investments, corporate earnings, dividend payout ratio on market value of the share.
<b>2012</b>	Zafar S.M. T., Chaubey D.S., & Khalid S.M.	India	The impact of dividend policy on share holders' wealth in Indian banks	Multiple Regression Model	They found significant impact of dividend policy on market price per share. But, market price didn't depend on the only dividend policy, but, other factors like retained earnings, P/E ratio, tax policy, fiscal policy, global trend, strength of the company, inflation position also affected the market price per share.

There are many literatures available on dividend policy and determinants of dividend policy and effect of determinants of dividend policy on market price of share in foreign contexts and

Indian context too. But, the researchers have found limited literature in Indian Banking Sector at present status. So, the gap is found by the researchers.

## **RESEARCH METHODOLOGY**

### **A. Objective of the Study**

1. To examine the impact of Dividend Policy and its Determinants on the market price of share of selected PVBs.

### **B. Hypothesis**

**H<sub>0</sub>**– There is no significant impact of Dividend Policy, Profitability, Leverage and Growth on the Market Price of Share of Selected PVBs.

**H<sub>1</sub>**- There is significant impact of Dividend Policy, Profitability, Leverage and Growth on the Market Price of Share of Selected PVBs.

### **C. Sample Selection and Time Period of Study**

The purposive sampling technique has been used for the selection of a sample to make an analysis for 10 years time duration from 2009-10 to 2018-19. Total 19 Private Sector Commercial Banks are available in India and five banks are selected as a sample. The sample is as under:

1. ICICI Bank
2. Kotak Mahindra Bank
3. KarurVysya Bank
4. IndusInd Bank
5. South Indian Bank

To examine the impact of dividend policy & its determinants on the market price of shares, the secondary data is collected from the annual reports of respective banks and websites of banks & nseindia. The Dividend Payout Ratio (Dividend Policy), Deposits to Total Assets Ratio (Leverage), LN of Total Income (Growth), Return On Assets ratio (Profitability), Companies Act – 2013 (Dummy Variable) and Closing Market Price of Share have been selected as explanatory variables and dependent variable respectively. The Karl Pearson's Correlation and Multiple Regression Analysis with all assumptions are carried out through SPSS – 22.

Firstly, the researchers have performed stepwise regression analysis through SPSS. The stepwise regression analysis has generated total 04 models. The model who gave highest R<sup>2</sup> has been selected for the study. Moreover, it is necessary to check the assumptions of normality, auto- correlation, Multicollinearity and homoscedasticity in any way from formal or informal way. To fulfill theses assumptions, the study has made Log transformation to deal with the problem of Heteroscedasticity and added a Dummy variable, namely Companies Act – 2013 to remove the problem of auto- correlation. After theses procedures, the study has

considered Profitability, Leverage, Growth, Dividend Policy and Companies Act – 2013 as Dummy Variable to examine the impact on closing MPS of selected PVBs listed in NSE. The following multiple regression model is used:

$$Y = \beta_0 + \beta_1(\text{DividendPolicy}) + \beta_1(\text{Profitability}) + \beta_2(\text{Leverage}) + \beta_3(\text{Growth}) + \beta_4(\text{DummyVariable}) + \varepsilon$$

### 1. Data Analysis And Discussion

#### A. Karl Pearson’s Correlation

**Table No. 2 Karl Pearson’s Correlation**

Particular	MPS	LN of Total Income	DPO	Leverage	ROA	Companies Act
MPS	1.000	.666	-.577	-.445	.216	.507
LN of Total Income	.666	1.000	-.050	-.728	.158	.415
DPO	-.577	-.050	1.000	.207	-.368	-.090
Leverage	-.445	-.728	.207	1.000	-.528	.096
ROA	.216	.158	-.368	-.528	1.000	-.287
Companies Act	.507	.415	-.090	.096	-.287	1.000

Table no. 2 shows the correlation analysis of selected PVBs. It is found that the market price of share and DPO & leverage have a negative relationship. While the growth in LN of total income, profit in ROA and a dummy variable of companies acts, shows insignificant positive relationship with market price of shares. When we look on dividend policy & leverage with other variables, it can be said that all other variables have negative relationship. The growth, making banks have found positive results with ROA, MPS and companies act and the profit making banks have a positive relationship with MPS and LN of total income. The companies act found positive relationships with MPS, LN of total income & leverage and negative relationship with DPO & ROA.

#### B. Multiple Regression Analysis with Diagnostic Tests

The result of multiple regression analysis shows as follows:

**Table No. 2 Model Summary**

R	R Square	Adjusted R Square	Std. Error of the Estimate
.890 <sup>a</sup>	.791	.768	.57070
a. Predictors: (Constant), DPO, Leverage, ROA, LN of Total Income, Companies Act			
b. Dependent Variable: MPS			

Table no. 2 presents the model summary of the multiple regression analysis. The R, R<sup>2</sup> and Adjusted- R<sup>2</sup> values are 0.890, 0.791 and 0.768 respectively. It can be said that the explanatory variables have explained 79.10% to the market price of shares of selected PVBs. While the other variables are explaining 20.90% to the market price of shares.

**Table No. 3 ANOVA Result**

Model	Sum of Squares	df	Mean Square	F	Sig.
<b>Regression</b>	54.356	5	10.871	33.378	.000 <sup>b</sup>
<b>Residual</b>	14.331	44	.326		
<b>Total</b>	68.686	49			
a. Dependent Variable: MPS					
b. Predictors: (Constant), DPO, Leverage, ROA, LN of Total Income, Companies Act					

Table no. 3 expresses the Anova – test of multiple regression analysis. The p- value is 0.000, which is lower than the significance level of 5%. Hence, we can say that the model is significantly fitted and there is significant impact of profitability, dividend policy, leverage, growth, companies act – 2013 on the market price of shares.

**Table No. 4 Co-efficient, Collinearity Statistics and Test Result**

particular	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-41.2	13.66		-3.02	0.004		
LN of Total Income	14.94	3.3	0.697	4.53	0	0.2	5
DPO	-0.89	0.13	-0.547	-6.97	0	0.77	1.3
Leverage	1.31	1.09	0.186	1.2	0.237	0.197	5.08
ROA	0.12	0.22	0.051	0.56	0.581	0.56	1.79
Companies Act	0.4	0.25	0.166	1.59	0.118	0.437	2.29
						<b>Statistics</b>	<b>Sig.</b>
Shapiro-Wilk Test						0.967	0.173
Breusch – Pagan Test						4.211	0.519
Durbin – Watson Value						1.536	

Table no.4 reveals the co-efficient regression, Collinearity statistics, Shapiro – Wilk test, Breusch Pagan test and Durbin – Watson result of selected PVBs during the study period from 2009-10 to 2018-19. The result of regression analysis is as under:

### 1. Normality

The normality of error is checked by researchers in both formal and informal both ways. This below is the result of normality of residuals. The chart no. 1, 2 and table no. 4 presents the normality of errors result of selected PVBs during the study period. The mean value and standard deviation of Histogram is 1.67 and 0.948 respectively. The graph expresses that the standardized residual looks symmetrical for the market price of shares of selected PVBs. Hence, it is said that the data is normally distributed. The P-P plot reveals good agreement with ideal line which indicates that the residuals are normally distributed for the market price of shares of selected PVBs. The result of the Shapiro –Wilk test shows the value of 0.173 which is more than the significant value, i.e. 0.05. Hence, we do not reject the null hypothesis and said that the residuals are normally distributed.

### 2. Multicollinearity

Table no. 4 shows the Collinearity statistic between independent variables. It is measured by VIF and Tolerance values. The VIF value of LN of total income, DPO, Leverage, ROA and Companies Act is 5.00, 1.30, 5.08, 1.79 and 2.29 respectively. These values are less than the rule of thumb i.e. 10. All the independent variables presented the value is less than 10 means there is no problem of multi- Collinearity between growth, dividend policy, leverage, profitability and companies act of selected PVBs.

### 3. Heteroscedasticity

The graph no. 3 and table no. 4 shows the scatter plot and Breusch – Pagan test result. The scatter plot figure indicates a random displacement of scores without a systematic pattern or clustering. The figure indicates that the assumption of homoscedasticity is fulfilled. The p-value of BP test is 0.519 which shows that the heteroscedasticity does not present. It means the residuals are homoscedasticity.

### 4. Auto – Correlation

Serial correlation refers to the condition in which each other is associated with the residual terms. Over successive time periods, it is the association of the variable with itself. In the range of 1.5 to 2.5, Durbin-Watson also demonstrated the absence of auto – correlation and it is supported by many literatures. So, table no. 4 indicates 1.536 values of Durbin – Watson which is in line. We conclude that no auto- correlation is presented in the data set.

### 5. Co-efficient of Regression Result

The beta, t- value and p- value of dividend payout ratio is -0.89, -6.97 and 0.000 respectively. It is presenting that when the dividend payout increased than the market price of a share is decreased because of negative beta value. This both variables have found a significant negative relationship. It is in line with (Masum, 2014), (Dhakal & Shah, 2018)(Harshapriya, 2016). The beta and p- value of LN of total income is 14.94 and 0.000 respectively. The growth, making banks have created a good reputation in the stock market and ultimately the market price is significantly increased due to parallel result in LN of total income. The result is supported with previous study of (Harshapriya, 2016). When we look on leverage, return on

assets and companies act- 2013, it can be said that all these variables have a positive relationship with the market price of shares. The high profit making banks have found the high market price of shares and vice a versa. It is in line with (Masum, 2014), (Dhakal & Shah, 2018). The high levered banks have high market price of the share. It is in line with (Ramaji, 2017). The study has also considered a dummy variable of companies act- 2013. We can say that the changes in legal provision have changed the market situation and affecting to market price of the share.

## CONCLUSION

The study focused on the impact of dividend policy & its determinants on the market price of shares of selected PVBs. The researchers have found significant positive result in growth & MPS, significant negative result in dividend policy & MPS. The leverage, profitability and companies act have a positive impact on MPS. Here, it is clear that the dividend policy is not an important variable to predict the market price of shares. It can be said that the investors from PVBs are interested in growth, profit and changes in legal provisions in prediction of the MPS. At last, dividend paying banks has shown a negative effect on the market and as a result they found opposite effect on MPS. We conclude that the market price of shares is not based on dividend policy, profitability, leverage, growth and legal provisions. So, there are other variables which contribute to the prediction of MPS in PVBs.

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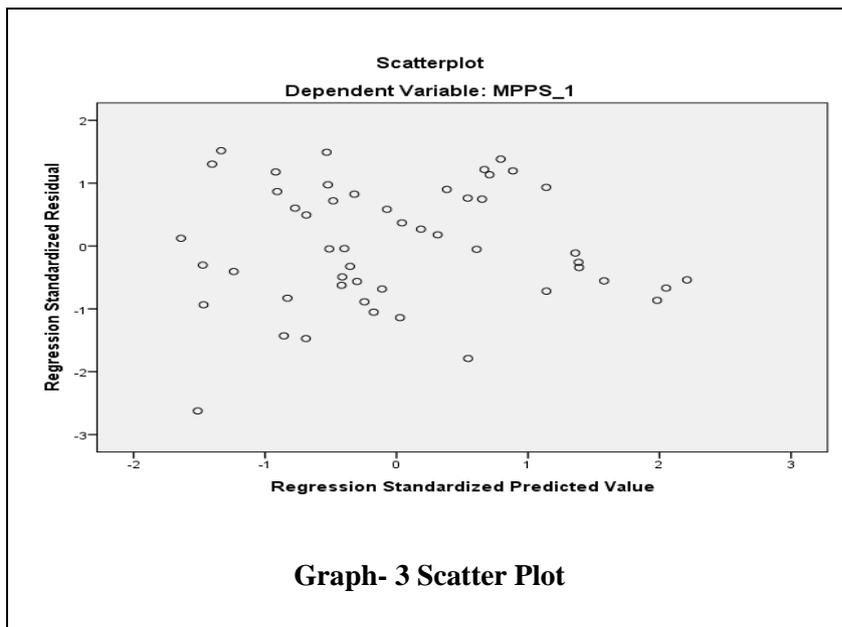
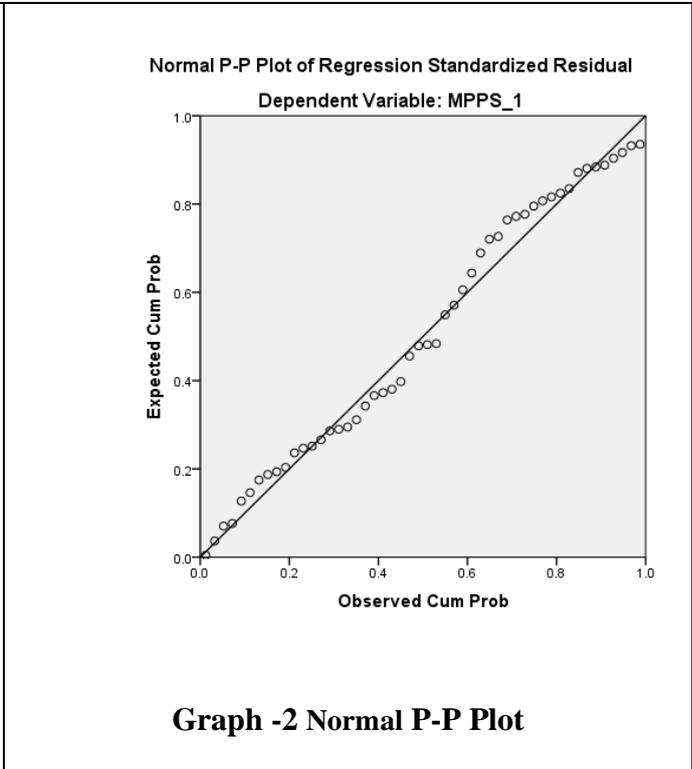
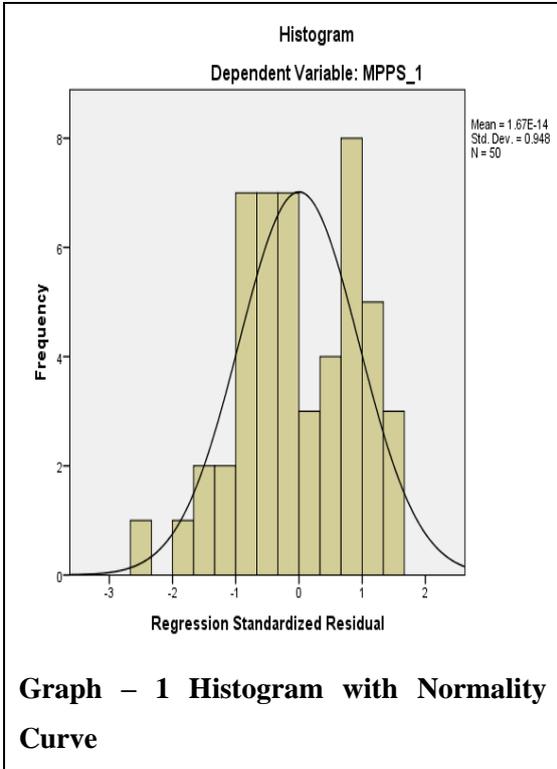
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### ANNEXURE



# Sustainable Entrepreneurship Development (SED) with Special Reference to Poverty Alleviation, Social Justice and Inclusive Growth

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## Abstract

*Sustainable entrepreneurship development (SED) is a universal concept, which necessitated international agencies, national institutions, public enterprises, corporate sectors, non-government organizations (NGOs) and others to bring in inclusive growth for moving national economies with environmental balance. Hence, SED endeavors to study poverty alleviation programs with right policy framework in bringing social development. The study concentrates on solving problems of human marginalization, social deprivation, and poverty alleviation. All these parameters are assessed in appropriate manner with the empirical research study, in coagulating social development process, environmental balance, global peace, national progress and human emancipation from severe social sufferings. This paper attempts to put findings relevant to SED, along with recommendations in sparkling manner. However, measures are suggested for taking decisions by policy-makers, administrators, academia, and social thinkers, among others. The study seeks to enumerate the cause-effect relationship between SED and environmental balance in terms of equal development of human beings.*

**Keywords:** Civil Justice, Existential Freedom, Human Deprivation, Integral Humanism, Regional Inequalities, Sustainable Development, Vasudhaiva Kutumbakam.

## **Introduction**

Sustainable entrepreneurship (SE) stands for a business driven concept of sustainability focuses on increasing both social as well as business value - so called 'Shared Value'. It aims to point out opportunities arise from putting SE into practice and contributes to solving the world's most challenging problems, such as climate change<sup>1</sup>, financial crisis and political uncertainty, as well as ensuring business success. Thus, Sustainable Entrepreneurship Development (SED) examines how governmental and company policies for sustainability impact innovation and entrepreneurship. It provides a comprehensive study of the different forms of green innovation or eco-innovation in different companies. It also examines how cultural change impacts sustainable management and innovation in organizations. SED is thus, concerned with sustainability, innovation and entrepreneurship. Specifically speaking, SED examines the ways governmental policies and practices modify the social conditions necessary to promote innovation in businesses, and impact economic development<sup>2</sup>. It explores topics such as green innovation, green customer capital, smart cities, green entrepreneurship and environmental responsibility. In today's global economic order, strategies, policies and practices that address the negative effects of human activity on the environment need to be incorporated into the SED Chapter. Thus, it helps chalk out plans for holistic business framework to achieve sustainable competitive advantage by the corporate entities. Accordingly, such changes have already been included in business models and resulted in a broad range of products, production methods and technical features that ensure environmental protection. At the same time, the mass media's communication of a deteriorating earth have motivated growing number of citizens in both developed and developing nations to modify their consumption habits towards more ecological<sup>3</sup> products. Consequently, increasing number of companies are reacting to these changes in business and legal frameworks and consumer preferences by investing in new forms of green innovation or "eco-innovation" designed to promote both environmental and corporate sustainability. For example, Hewlett-Packard eliminated lead from its welding process; Wal-Mart reduced the emissions of their suppliers; and Cisco, Dell and IBM are investing in smart grids. Thus, SED reflects on the pioneering efforts of companies, citizens, non-government organizations (NGOs) and government agencies that are moving from theory to practice by placing sustainability at the core of their development strategies. All these will help solve the problems of human poverty, social justice, inclusive growth<sup>4</sup>, holistic development and realistic progress in rolling towards forward looking tendencies to a unified march for global peace, environmental balance, ecological harmony, human existential freedom of living with integrated developmental parameters. This research paper examines all such issues for illuminating the concept of SED.

The study reflects on innovative path of entrepreneurship development and creative norms of human working models with the agenda of 'Vasudhaiva Kutumbakam' principle as initiated in the Vedic norms of doing things and the Vedanta order of equipoise nature of human performance with the policy of equanimity thinking. As a whole, the mantra of development

through the catchwords: “Sabka Saath, Sabka Vikas and Sabka Viswas” is ingrained in principles of SED. The study suggests measures for integrated development and recommends reducing regional imbalances, increasing social inclusion and eradicating human marginalization.

### **Objectives of the Study**

The study covers a wide range of parameters of human social development processes in terms of SED program, and therefore, the entire research is concerned with sustainable development goals (SDGs) for bringing quality of work life (QWL) to rejuvenate the structure of global civil society. Accordingly, vision, mission and strategies of sustainable development processes are narrated in scientific manner in terms of SED policy. It is expected to solve problems of human poverty, regional imbalances, and social inequalities with committed services and justice driven principles of working, in fighting against social ills and maladies with good governance paradigms. The study objectively takes into account some aspects of SED programs with visionary goal, missionary way of dealing with the things and strategic solution of world social problems for environmental sustainability, global peace initiating measures and existential freedom of human life bringing possibilities in nurturing people, protecting planet and making progress in dynamic nature with forward looking tendencies to global march towards reaching at the goal of integral humanism.

### **Scope of the Study**

This empirical research encompasses areas of environmental sustainability in terms of SED norms, and puts recommendations for protecting precious environment in promoting civil living initiatives with valuable guidelines. It ensures nurture scarce resources of nature with justice driven principles of work in equanimity thought, for human emancipation from severe social sufferings to a stage of liberal living autonomy. With a view to safeguard humankind by cementing effective public relationships for achieving SDGs successfully in the long-run to dynamic progress of human society, the findings and conclusion of this research effort provide suggestions to policy-makers, administrators, researchers, social thinkers, environmentalists, reformers, academicians, entrepreneurs, jurists and others for framing models of SED in future with integrated approach. It has wide scope to embrace the holistic concept of development models, inclusive growth prospects and realistic progress of human society in terms of SED. It further helps framing scientific decisions for future development and implement policies for the common interest of all the stakeholders in global society to live in peace, progress and prosperity.

### **Methodology**

The study concentrates on theoretical research practices, and therefore, all secondary sources are taken into care with historical analysis of things. So, essential facts are recorded from government reports, reports of international institutions, agencies and organizations. Policy

decisions of government institutions and international organizations are attentively observed with path-goal relativity. Further, information technology and internet services, books, journals, periodicals, reviews and some other important sources well warrant the methodology of discussions for covering the wide issues of SED initiatives, environmental sustainability and human social progress in equipoise nature of doing things with a view to profess, promote and practice the subject matter of SED in terms of SDGs. Thus, the study ranges from human deprivation to environmental protection for the greater interest of mankind in eliminating social injustices and establishing global peaceful living measures. All these are accentuated scientifically, discussed chronologically and lamented for healthy exercises with relativity approach to adopting SED policies, programs and procedures. The secondary sources strengthen the pillars of human society in terms of academic discourses for developing models of social progress, implementing policies for dynamic growth and framing strategies for realistic journey of life with civil liberties in the existential autonomy of human life bringing process. The secondary sources enriched research activities for scientific explanations of things in holistic and all-comprehensive manner, to work as a rejoinder to complement as the road map of SDGs.

### **SED for Environmental Sustainability**

SED is the norm of doing business in sustainable manner based on principles of integrity and equanimity thinking. It gives priority on people, community and the environment. Entrepreneurs become committed under SED policy, programs, strategies, vision and mission of work for bringing holistic norms of environmental sustainability<sup>5</sup>. Hence, it empowers people, enhance capabilities and enrich working pattern. Thus, SED is related to core values, social responsibilities, honesty and integrity in working measures with creativity for civil justice in social living. So, its framework is concerned with added value with operational efficiency. Environmental responsibility is the cornerstone of creating sustainability in business frontiers, organizational policies and government action plan initiatives; therefore, it endeavors to do business as sustainable as possible in today's world of environmental degradation, human deprivation and social marginalization<sup>6</sup> in terms of harmonious, integrated and environment friendly norms of entrepreneurship performance to achieve the goal of integral humanism. So, SED ensures nurturing resources for sustainable purposes. It is the pyramid of social balance restoration with ecological coherence of doing things by scientific scanning and adequate exploitation of environmental resources for production purposes. It fulfills the norms of environmental responsibility for conserving green energy, preserving blue sky and sustaining resources. Corporate responsibility with committed managerial challenges strengthens the framework of sustainable policy, good governance<sup>7</sup> ideology and justified norms of doing things. Consequently, SED principles adopt healthy business policy and safety living norms for Kutumbakam (Sabka Saath) framework of managerial effectiveness, with the Vasudhaiva ideology (Global thinking) of working agenda, where there is nurturing concept as well as mantra of holistic development (Sabka Vikas). It is thus relevant for the top priorities to sustain environment with motivated professionalism in

doing business activities, and needs international cooperative policy with competitive edge for initiating competitive advantage from resource sharing, innovating, creating, information sharing, all channel communication network and business combination model to increment benefit to all for increasing human welfare, social well-being and maximum progress with environmental sustainable norms, global peace initiatives and human capacity building objectives. As such, there is scope of improving urban environment along with social development, rural ecology by means of resource procreation and regional balance in terms of human quality living norms with boundless possibilities. The consequent result is that the SED program connotes the idea of energy conservation<sup>8</sup> by governance mechanism, for bringing ecological balance to attain the goal of continuous improvement and dynamic progress.

In nutshell, the objectives of SED are concerned with environmental sustainability pertaining to freedom, flexibility and forward thinking necessary for social progress, human uplifting and global peace initiatives, which incorporates the policy of integrated management thought (IMT), holistic development model (HDM) and inclusive growth strategy (IGS) in the framework of business objectives, governance criterion and administrative justice for embracing environmental sustainability with scientific rationality, realistic perspective and innovative prospect of doing things with real time issues (RTIs). All types of solutions of social problems, human marginalization and regional imbalances are therefore ingrained in SED with environmental balance for human justified order of living in civil society with peace, progress, prosperity, propensity, plan, policy and packages (7 P's) required for resource conservation, ecological preservation and environmental sustenance.

### **SED and Service Quality**

Service is the mantra of human development prescribed in the scriptural order of the Vedic thought. So, the Vedanta policy of service has been given the top priority with principles of human disinterested nature of performance in remaining inaction while performing certain things with the objective of action oriented principle. It means that we should remain detached from the result of action, because attachment creates bondage and detachment brings in human liberation<sup>9</sup>. On the basis of such objectives, service should be performed in fruitlessness manner. SED brings in quality of work life (QWL) for inclusive growth, holistic development and realistic progress. Thus, the unique role of SED is concerned with the policy of working together with agencies, institutions, organizations, associations and so on for increasing service quality, decreasing wastages and maximizing human benefit for progressive journey in life bringing possibilities. Service therefore enables the highest priority for customers satisfaction, provides optimum quality living parameters of social wellbeing and initiates the measures of dynamic social progress with responsibility driven objectives<sup>10</sup> of social inclusion to all deprived classes, in responding towards the process of coordinated human approach of reducing regional imbalances and gaps between haves and have-nots, increasing social welfare and minimizing wealth creating propensities of human beings. In this way, service quality can help to strengthen the pillars of social progress in terms of SED.

Service quality helps cementing human effective relationships and stabilizes the vista of social undertaking to connect people for better cooperation, smoother social orientation and civil living parameters of society with the existential freedom of life, autonomy of thinking and fraternity of doing things in justified manner. Service parameters help people working together for the purpose of building civil society on the pillars of utmost faith and unique order of performing organizational activities. It reinforces the pattern of unified march towards making journey to the path of human liberal fraternity of doing business, eradicating corruption from administrative dealings and enlarging the idea of human integrity in terms of SED. Quality service norms inspires people to shoulder responsibility with zeal of work for the zest of solving problems of human poverty, social sufferings and distressful living conditions.

Production quality is enhanced through quality service delivery principles, environment is secured in terms of timely delivery of goods and services and good governance conditions are fulfilled by way of administering things with optimum quality concern and service packages, business role playing model and governance transparency. Radical and positive social reformations are possible, while tasks are implemented at right time, to the right place and in right way of doing things. Hence, technology can excel to the fullest possible level, as and when services are performed as per plan of action, road map and agenda of development. Thus, transparency<sup>11</sup>, liberalism and autonomy are inherent in the mantra of service goal, operational measures and delivery mechanism. So, service providers must act according to the conditions of changing situation for taking measures to reform society in new dimensional way. Thus, services provide effective performance measurement criterion by way of translating things into possible social change and therefore, it leads to SED with all sorts of scientific delivery mechanism. Workers efficiency and responsibility is enhanced through service giving principles. As a matter of fact, all lapses and social imbalances are reduced in terms of SED and transformative leadership initiatives. Investment potentials are matched with adequate service and QWL. So, the principles, practice and policy (3 P's) of services should be the foundation of SED to suit the changing conditions, reform the right things and to reorient society in futuristic needs and requirements with business process reengineering (BPR) model. Thus, quality services need commitment from entrepreneurs, support from government and initiatives from society level with skill building environment and innovative approach for changing life-style of people with inspirational goal, to transform society with reformative zeal and establish global peace with human competence building norms, capabilities and creativity measures<sup>12</sup>.

## **SED and Sustainable Business**

Businesses are now-a-days increasingly acting with concern for the environment and society. It proves therefore that business can play a positive role in helping to solve the world's environmental and social problems. It is a fact that business interest in sustainability has been motivated by profit-making opportunities associated with sustainable business practices. From

the picture of sustainable business world around and particularly, in the United States, we may note that there is positive correlation between SED and sustainable business. As for example, we may say that only in 2010, Google invested \$38.8 million in two North Dakota wind farms built by Next Era Energy Resources<sup>13</sup>. These wind farms generate 169.5 MW of electricity, enough to power 55,000 homes. Renewable energy comes from sources, such as solar panels and wind turbines to generate energy as opposed to other sources used, for e.g., coal or oil. Renewable energy typically has a much lower impact on the environment, depending on the type and often emits little to no pollution. It is clear from Google's investment in wind farms and the activities of private companies all around the globe that many of today's business leaders look beyond their own annual economic bottom line and act with concern for how their business activities affect the environment, and the very existence and sustainability of the world's physical and human resources and capabilities. We can therefore define sustainable business concept thus: "Sustainability is meeting the needs of the present without compromising the ability of future generations to meet their own needs"<sup>14</sup>. The core concept of SED for performing business activities in sustainable manner is concerned with values, priorities and decision making processes with owners, key managers, employees and other stakeholders. In this way, bridging sustainable impact in business frontiers needs to integrate fully the sustainable business practices and principles of conservation. These are required to be included in corporate mission and strategies. Business decisions are guided by public policies. There are different general ways that businesses view and act on their relationship with government. SED perspective therefore helps in creating jobs, innovating new ideas for social and economic well-being, and to manage relationships with government (local, state, national and international) effectively. There is relationship between business and government<sup>15</sup>, in which the SED policy implications can contribute much to the society in terms of increasing government taxes, implementing business regulations for reducing costs, environmental impact by minimizing carbon effect, incentivizing business performances, addressing social responsibility clauses with adequate measures and practices, financial derivative systems, share market prospects, adopting legal issues, creating healthy customer relationship practices, maintaining liaison, working as social change agent and so on. All these prescriptive measures are having impact on poverty reduction<sup>16</sup>, societal challenges, business-government interface and interaction in ice-breaking situations for solving problems of regional imbalances, nation building initiatives, generating employment opportunities and try to work as even partner with government for social transformation in diversified manner. Once a business has an understanding of how government affects their operations and profitability, it can formulate strategies for how best to interact with government. So, the SED concept helps in three ways for responding in business activities – proactive, reactive and interactive. A proactive response approach<sup>17</sup> entails acting to influence policies, anticipating changes in public policy, and trying to enhance competitive positioning by correctly anticipating changes in policy. Reactive responses involve responding to government policy after it happens. An interactive response involves engaging with government policy-makers and actors (including the media), to try to influence public policy to serve the interests of the business. For most businesses, a

combination of the interactive and proactive approaches is the best approach. Great challenges of economy can be overcome by means of NGOs and media businesses in responding through participation.

Thus, the SED and sustainable business policy should be made more flexible oriented for strengthening the base of good business governance practices. In nutshell, SED can democratize the norms of doing business activities in terms of dialogues and initiatives, anticipation and adjustments, corporate challenges and government framework of decisions, collaborative relationships and effectively interact with stakeholders, leadership level playing role model, future growth perspectives and so on. All these are healthy measures of doing business activities in terms of sustainability. In terms of SED, businesses are found to increasingly engaging in activities with concern for the environment and society to play a positive role in helping to solve the world's environmental and social problems. Sustainable business practices at the end explore all such opportunities and take challenges for profit making, market share, social responsibility undertaking, customers' satisfaction, value orientation and assuming risks for financial responsibility. In concern for the sustainability of social resources, business entrepreneurs and corporate entities act with enlightened self interest for themselves and do well to others<sup>18</sup>. Sustainable business involves making decisions and taking actions that consider the long-term impact of the business on society and the environment while still maintaining profitability. People, planet and profit – also known as the triple bottom line – are the three areas that businesses are interested in sustainability and have relationships with SED through such measures.

### **SED for Gender Equality**

Women and men have played an identical role in labor markets. This fact cannot be denied by anyone in this world. If, this trend is in practice, then by the year 2025, the global economy would be added to \$28 trillion. This is the science behind sustainable gender equality to the concept of SED<sup>19</sup>. Thus, it is evident that SED helped for committed role of business leaders, representatives of governments, trade unions and multilateral organizations to promote gender equality in the workplace, as a crucial engine for countries to achieve the Sustainable Development Goals (SDGs) by 2030. From the participation of various forums, conversation panels and roundtables of solutions, addressing challenges and benefits for greater inclusion of women in the workplace, the reduction of gender gaps, and the key role of the private sector in advancing gender equality and women's empowerment, among other issues; it is highly important to suggest here that the efforts of governments, companies and trade unions to advance gender equality in the workplace cannot be ignored in today's world of free economy and market dynamism. It seems therefore that on the agenda of the framework of gender equality, this marks our commitment to overcome poverty, inequalities and deepen democracy. At the same time, it also "challenges us to increase the labor participation rate of women, with all our diversity"<sup>20</sup>. From the discussions in the Global Forum, it is evident that women have their own educational background and skills in today's world of working

environment for their contribution in the socio-economic activities, and therefore, their issues for SED program should be addressed well in time, to ensure that “policies are in place so that others are not left behind.”<sup>21</sup>. Accordingly, subject matter of SED for gender equality should promote equality and inclusion, irrespective of gender issues and any discrimination at the workplace. Creative and innovative ways are to be developed for women workers at par with men work force. Hence, we should change working conditions; so that there is greater equality between women and men.

### **SED and Some Other Issues**

SED is further concerned with issues of development of national evaluation capacities (NECs), which can contribute to eradicating poverty, promoting prosperity and protecting our planet. With this aim in mind, the NECs<sup>22</sup> international conference was held and it was thereby discussed that the agenda of SED should be dedicated for “People, Planet and Progress” (3 P’s) as per the norms of SDGs. This is to support and intensify momentum towards attaining the ambitious global goals. Thus, it is believed that the sustained, inclusive and sustainable growth is essential for achieving the 2030 agenda<sup>23</sup>. It is therefore suggested that the growth can be inclusive and can eliminate poverty only if all segments of society, including the marginalized, share the benefits of development and participate in decision-making. So, the scope of SED includes inclusive and sustainable growth, and suggests for reducing poverty from all dimensions, like: (a) Assisting governments in the formulation of development planning strategies that incorporate interventions to promote inclusive sustainable development; (b) Providing policy advice and tools to fight exclusion and marginalization in areas, such as social protection and job creation; (c) Advocating for an enhanced public investment and economic governance to ensure that everyone has access to vital public services without exclusion and marginalization; and (d) Enhancing developing country productive capacities, sustainable consumption and production patterns to better integrate into the global economic system in a way that prioritizes sustainable development and reduces poverty and inequality<sup>24</sup>. As a whole, it strives to development planning and inclusive sustainable growth. The concept of SED is concerned with partnership program with the government, UN agencies and others for a broader architecture. It is therefore suggested that the United Nations Evaluation Group (UNEG) can help to bring together development partners and all stakeholders to collaborate, and enhance the understanding and appreciation of evaluation as a powerful tool for public accountability and learning purposes.

SED has greater role to play in sustainable consumption by leaving no one to behind and integrating with collective commitment for inclusive and sustainable growth, in terms of delivery mechanism for maximum value to make people feel good, to reduce poverty, to formulate plan for development strategies, to create jobs and secure social protection to mass population. Thus, it acts as a catalytic instrument of social change in HIV treatment<sup>25</sup>, which is a field of paramount importance for human emancipation from severe social sufferings.

### **SED for Achieving SDGs: A to Z Analysis**

Some important areas concerning SED for achieving SDGs are: (a) Sustainable energy and water, (b) Desertification, land degradation and drought, (c) Disaster risk reduction, (d) Education, (e) Employment, decent work for all and social protection, (f) Finance, (g) Food security, nutrition and sustainable agriculture, (h) Forests, mountains, oceans and seas, (i) Gender equality and women's empowerment, (j) Green economy, (k) Health and population, (l) Social indicators, (m) Industry, trade and sustainable tourism, (n) Information for integrated decision-making and human participation, (o) Institutional framework and international cooperation, (p) Sustainable transport, (q) Multi-stakeholder partnerships and voluntary commitments, (r) National sustainable development strategies, (s) Poverty eradication, (t) Rural development, (u) Science and technology, (v) Small island developing states, (w) Sustainable cities and human settlements, (x) Sustainable consumption and production, (y) Sustainable sanitation, (z) Violence against children. All these are essentially needed for environmental resources' safety conservation, human security protection and global peace initiative as measures of sustainability as well as for shaping the global development agenda (GDA) in coming future. So, SED vision can promote sustained economic growth, higher levels of productivity and technological innovation<sup>26</sup> for making SDGs successful by means of encouraging entrepreneurship and job creation as the effective measures to eradicate forced labor, slavery from the society and human trafficking. It empowers human lives for resilient nation building with mission to nurture people and planet, for peace and prosperity. It ensures adequate utilization of natural resources with the agenda of good governance paradigms to achieve SDGs, for bringing scientific order of social change in modern world by overcoming all challenges in positive direction and making strategies for committed nature of human performance, to preserve biodiversity and eco-systems in reducing social instability, human distress as well as accelerating affordable conditions for existential freedom of human life.

### **Findings, Suggestions and Recommendations**

SED plans should focus on inclusive economic growth, social justice, protection of environment and natural resources for initiating national development, eradicating regional imbalances and restoring global peace. As a matter of fact, the United Nations describes their newly released SDGs on the basis of: "A plan of action for people, planet and prosperity". These goals are important for wide range of issues: from extreme poverty to climate change. Thus, it seems that SED goals and targets can transform the world order. So, policy-makers, administrators, government authorities, legal persons, social thinkers, reformers, academicians, and all stakeholders are suggested that they should come forward with concrete plans, programs and strategies to strive to put the world onto a resilient path for holistic SED. With global issues concerning the whole population for peace and the respective national development needed for prosperity in today's world of technological reformation, scientific exploitation of natural resources are required to be made with judicious scanning of the

environment for the greater interest of all the stakeholders and for common benefit of all people. Hence, it well warrants recommending here for unified progress with cohesive development plans that the SED should be given special priority to move the world order in dynamic way with the mantra of doing business and administrative activities of human civilization: “Sabka Saath, Sabka Vikas and Sabka Viswas”. This is the real policy of sustaining, preserving and conserving natural resources with the ‘Ease of Doing Socio-economic Activities’ required to be formulated to the plan of action, road map for development and forward looking tendencies. This philosophy therefore, requires that the SED program should be carried to fulfill rather than to destroy, in terms of inclusive growth for emancipation of deprived classes from severe social sufferings to a stage of civil living with justice driven norms to restore world peace and social tranquility. Hence, the Vedanta order of doing things with concept of SED requires equanimity thought and equipoise nature of human performances for the establishment of – Sarva Sukha (all happiness), Sarva Santi (all peacefulness) and Sarva Kalyana (all welfare); rather than happiness to few people, peace for much people and wealth creation for some people. Thus, the Kutumbakam ideology ingrained in the SED policy explained so far with the empirical analysis is required Vasudhaiva principles of work for the purpose of establishment of global peace, environmental sustainability and human liberation of life. So, it is further recommended that the sacrificial nature of human performances, dedicated norms of doing services and scientific pattern of dealing with the things can only lead all to achieve the SDGs in terms of SED program for realistic growth, holistic development and proactive progress at par with scriptural guidance. Thus, the Vasudhaiva Kutumbakam philosophy is advocated for good governance with SED framework to reduce human poverty, bring in social justice and eradicate regional imbalances. As and when government plans are made in scientific nature of doing things with technological reformations, human creativity and innovations; decisions could be implemented in time with judicious alternatives as per market changes. So, strategies are required to be framed to chalk out programs to bring in actual social change in positive directions, which needs radical SED in all frontiers of human socio-economic activities to enhance human competencies level, initiate capabilities with required skill building approach and nurture environmental scarce resources in regard to add value in services and productive journey.

## **Conclusion**

SED, if propagated carefully and well in time can solve the problems of social poverty in all its forms, end human hunger with food security and improved nutrition, and promote agricultural development with all means of sustainability. Hence, the objectives of SED should be for ensuring healthy living and promoting well-being to all in all ages. It can eradicate gender inequalities with the components of SDGs through equitable quality education and empowerment of people for inclusive development. Thus, the concept of SED connotes the idea of equal opportunities for community development purposes, adequate access to the availability of basic necessities of life with productive employment generation

and decent work for all, conserving natural resources, ensuring sustainable consumption and production patterns, combating climate change and its bad impacts, strengthening pillars of society in making cities and human settlements, green energy, eco-tourism, eco-friendly transport system, resilient infrastructure, sustainable industrialization, sustainable agriculture, healthcare activities and so on. As a whole, the SED program is helpful for promoting peaceful and inclusive societies in terms of sustainable development and providing access to justice, and besides; effective, accountable and inclusive institutions at all levels. Moreover, the SED policy strengthens the means of human justified order of civil living with implementation of plans in proper way. It revitalizes the global partnership for sustainable development purposes. The SDGs can be made successful in terms of SED for prospective, prosperous and peaceful life of human beings to ensure overall progress of human civilization through collective partnership, ambitious reformation and transformative order of making citizens charter for holistic development, realistic growth and naturalistic journey of human civil society with existential freedom of life, liberal autonomy of thinking and democratic values of living ideals. SED is the only path of good governance, administrative justice and civil liberty in bringing all-round sustainability for the development of society in terms of socio-economic activities and effective services, to eradicate social poverty, strengthen civil justice for reducing regional imbalances and emancipate human beings from severe social sufferings to reduce gaps between haves and have-nots. Hence, the objectives of SED should be to promote dynamic, inclusive and sustainable economic growth, profess the idea of full and productive employment and practice the norms of decent work for all to lead life with means of civil living parameters, for the purpose of human potential development, environmental sustainability and global peace initiative measures.

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knowledge readers may consult: Krishnananda, S. (August 2009): “The Philosophy of the Bhagavadgita”, The Divine Life Society, Sivananda Ashram, Rishikesh, India. Also see, Website: [www.swami-krishnananda.org](http://www.swami-krishnananda.org).

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contributes for higher level productivity in terms of SED program and thereby the civil society living order is enriched. It helps implementing collaborative concept with right decision making processes, and consequently, offers ideas for assessment of policies and project evaluation with respect to social justice and sustainability.

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## Indo- Myanmar Border Trade: Its Current Status and Potentials of Trade Through Moreh Route

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### Abstract

*India's Look-East policy of developing a broader economic trade and strategic ties with Myanmar has attracted the attentions of different developmental agencies, Governments and academician in India towards the issues related to Border-trade and its implication, trends, etc across the north-eastern part of India. Ruminating this ample potential, the existing bilateral trade is very diminutive and has not led to any strong economic interdependence between the north-eastern regions (NER) of India and Myanmar. Myanmar is a crucial strategic trade partner as it is the only ASEAN nation with which India shares both land and maritime borders. As a 'gateway' to South East Asia, Myanmar is vibrant in terms of economic development for India's North East Region (NER).*

*In this respect the present tried to find out the current status of the Border trade and the potentials and prospects of the trade route through Moreh in Manipur to India's Border Trade with Myanmar. This paper analyzes the export-import status of the Indo-Myanmar border trade through Moreh and also the growth of trade from the year 2005 to 2014. This study will be based on secondary data analysis and review of relevant literatures.*

**Keyword:** *Indo-Myanmar, Border-Trade, Manipur, Trends and Growth prospects*

### Introduction: Border Trade

Cross-Border Trade can be defined as the smooth flow of goods and services across international borders. The rationale of Border-Trade arises from two important aspects: The

first aspect is that exports and imports linked to the productive base of the state's economy will go a long way in absorbing the rising unemployed and under-employed mass which prevails as a major concern of the people of Manipur in particular and the north-eastern region as a whole. The second is the socio-cultural ties and economic complementarities that the people share across the border allowing greater economic, socio-cultural and diplomatic interactions

A country or a region's export and import trade volumes depend on many complex details of history, geography, infrastructure, economy, administrative nature and the structure of demography (De, P. 2009). However, despite the enormous potentials in terms of rich resources, contiguity of labour and proximity of markets, the value of export/import between India and Myanmar depicts a very small fraction compared to the Myanmar cross-border trade with other countries like China, Bangladesh, etc.

As such, for greater economic development and socio-cultural ties, it is imperative to further enhance and energize this cross-border trade. Keeping in mind the above stated scenario, the present paper was undertaken with the following two **objectives** in mind:

1. To study the export-import status in cross-border trade from India through Moreh in Manipur.
2. To identify the export potentials and prospects of this Moreh trade route.

### **Rationale of the Study**

Cross border trade is important as it gets worldwide exposure of the products that a trader is dealing with is the biggest advantage it brings. Selling without disturbances of geographical boundaries is a advantage that allows the merchants to sell in a region where its best to sell.

This present study examined the effectiveness of export-import business under the new trade policy, adopted by Government of India in relation to bilateral trade with Myanmar across the land border and it has also highlighted the challenges faced by traders in shifting to normal trade. Before 2015 India-Myanmar border trade was smaller in amount in comparison with the Sino-Myanmar and Thai-Myanmar border trade. This was mainly due to a obstructive border-trade policy framework where trade was allowed only in a limited number of locally produced items through barter. However, from December 2015 due to two policy changes introduced in India i. shift from "Barter Trade to Normal Trade" and ii. shift from "Border Trade to Normal Trade" has changed the scenario.

Bilateral trade between India and Myanmar has grown over the last few years, it was below China's trade relations. India exported to Myanmar over US\$1 billion and import was over US\$500 million. However, China's exports to Myanmar are more than US\$10 billion as per World Bank report, 2018.

### **Scenario of Indo-Myanmar border trade: Literature Review**

India shares about 1643 km border with her northeastern neighbor country Myanmar (formerly known as Burma). During the pre-colonial and colonial era factors like war and

invasion, common racial affinities, the security perception of British, policy framework and their various other political interest impeded the growth of local border trade between the two country. Further, the state-centric security perception of the post-colonial states always looked at the border trade as malicious and assailable (Das, G and Thomas, C.J, 2005). As a result, the idea of border-trade development through mobilization of synergies across the border didn't receive much attention. The present scenario has however changed with the emergence of different strategic policies, programs and associations with ASEAN and the globalization followed by various border-trade oriented foreign policies and activities. As per the Indo-Myanmar Border Trade agreement signed by the government of both the countries in 1994, three routes were agreed upon for border-trade, namely:

- (a). Moreh (Manipur) in India and Tamu in Myanmar
- (b). Champhai (Mizoram) in India and Hri in Myanmar
- (c). Lungwa (Nagaland) in India and Myanmar

Out of all these routes, only Moreh in Manipur is officially declared open for border trade through Land Customs Station (LCS) in 1995 (Thomas, C.J, 2000). The most striking features of Border Trade through the Moreh-Tamu corridor have been that there is a free flow of all sorts of goods that are far beyond the original list of twenty two tradable commodities. The huge potentials of hydro power, minerals, and other natural resources commodities like Handicrafts, processed food, handloom etc. Besides, the Vision 2020 had emphasized the opening up of the region by building extensive road and rail communication networks and telecommunication facilities across the region so that the region's geography would not be a disincentive to private investment. This lack of trans-border trading culture retarded the flow of surplus from agriculture and industry beyond the local market and therefore their growth and diversification.

### **Present Status**

In the year 1994 Border Trade Agreement was signed by both India and Myanmar and presently they have two operational border trade points. One is Moreh-Tamu and second one is Zowkhatar –Rhi. A third border trade point is likely to be opened at AvakhungPansat/Somrai. The estimated border trade of US\$ 12.8 mn was done in 2010-11. The important items usually bought by Myanmar traders from the Indian side are cotton-yarn, parts of auto, soya bean product and pharmaceuticals, (report also states smuggling of items like fertilizers, vehicles particularly two wheelers etc.); India imports betel nut, dried ginger, green mung, beans, turmeric roots, and medicinal herbs from Myanmar to India. During the 3rd India-Myanmar Joint Trade Committee in October 2008, it was decided that Border Trade at the existing points would be upgraded to Normal Trade so as to promote bilateral trade between the two countries.

India is Myanmar's 4th largest trading partner after Thailand, China and Singapore. India is Myanmar's second largest export market after Thailand, absorbing 25 percent of its total exports. India is also the seventh most important source of Myanmar's imports (Syed Ali Mujtaba, 2007).

Myanmar's Import from India was US\$682.09 Million during 2020, as per the United Nations COMTRADE database on international trade. Myanmar 10 important Imports from India is depicted in the Table No. 1 below. Other important trade items are Pulses, tea, gems, spices and narcotic trades are famous.

**Table No. I Myanmar 10 important Imports from India**

Myanmar Imports from India	Value	Year
Pharmaceutical Product	\$229.37M	2020
Vehicles	\$62.51M	2020
Iron and Steel	\$52.08M	2020
Machinery, Nuclear Reactor, Boiler	\$38.45M	2020
Electricals, Electronic Equipments	\$38.12M	2020
Cotton	\$20.94M	2020
Mineral fuel, oil, distillation product	\$23.50M	2020
Miscellaneous edible preparation	\$17.04M	2020
Residues from food industries	\$14.98M	2020

*Source: United Nations COMTRADE database, March, 2022*

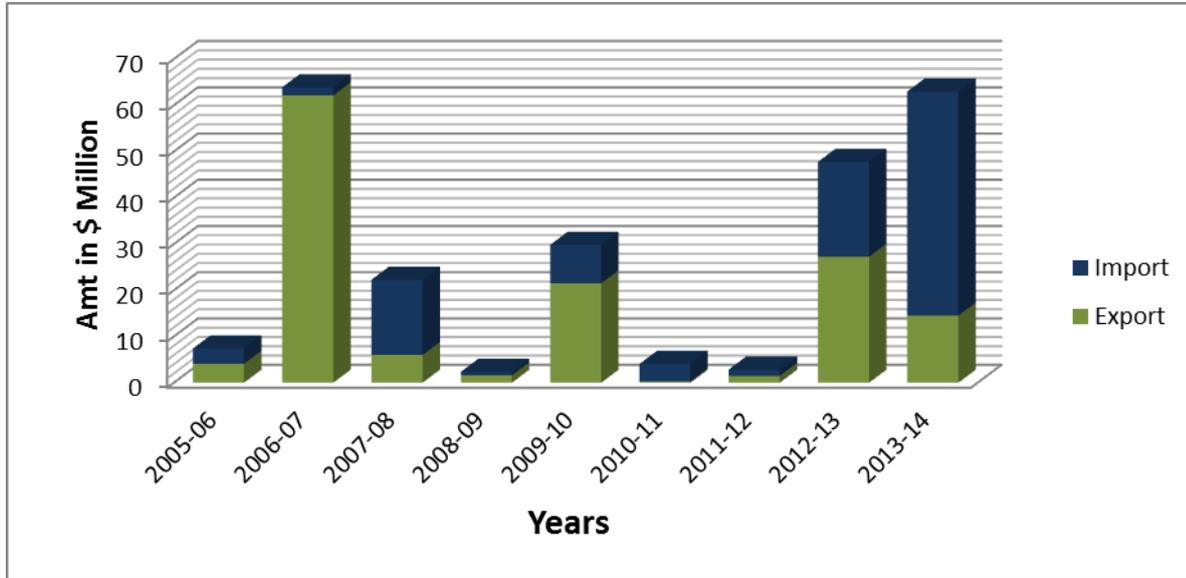
The current Border-Trade (Export and Import) between India and Myanmar through Moreh route is shown below in Table No. 2

**Table II: Y-O-Y Percentage Growth of Export, Import and Total Trade (in US \$ Million)**

Year	Export through Moreh	% of Growth on Y-O-Y	Import through Moreh	% of Growth on Y-O-Y	Total Trade through Moreh	% of Growth on Y-O-Y
2005-06	04.09	NA	03.30	NA	07.39	NA
2006-07	62.13	1419 %	01.78	-46%	63.91	765%
2007-08	06.01	-90%	16.29	815%	22.30	-65%
2008-09	01.60	-73%	00.76	-95%	02.36	-89%
2009-10	21.50	1244%	08.31	993%	29.81	1163%
2010-11	00.26	-99%	03.80	-54%	04.06	-86%
2011-12	01.49	473%	01.36	-64%	02.85	-30%
2012-13	27.24	1728%	20.55	1411%	47.79	1577%
2013-14	14.52	-47%	48.47	136%	62.99	32%

*Source: Author's Calculations based on Moreh Border Trade figures for the year 2005-14 from 'Department of commerce and Industry, GOI'*

**Figure I: Growth of Export and Import over the years (Amt. in \$ Million)**



The figure indicates that the Border-trade through the Moreh route reached its highest peak in the year 2006-07 with an amount of \$ 62.13 million whereas very least export can be seen in the year 2010-11 with only \$ 00.26 million showing negative growth. As far as import is concerned the highest import was attained in the year 2013-14 with an amount of \$ 48.47 million. Further, the lowest import can be seen in the year 2008-09 with an amount of \$ 00.76 million. In terms of the total trade, the year 2006-07 has the highest Border-Trade whereas the year 2008-09 has the lowest Border-Trade.

**Table III: Value of Exports and Compounded Annual Growth rate (CAGR)**

Year	Export (Rs. In cr.)	Cumulative Growth of export	% of Export Growth in Y-O-Y	CAGR
2005-06	04.09	NA	NA	15%
2006-07	62.13	66.22	1419 %	
2007-08	06.01	72.23	-90%	
2008-09	01.60	73.83	-73%	
2009-10	21.50	95.33	1244%	
2010-11	00.26	95.59	-99%	
2011-12	01.49	97.08	473%	
2012-13	27.24	124.32	1728%	
2013-14	14.52	138.84	-47%	

Recently India signed MoU with Myanmar to import tur and urad dal for the next five years (Economic Times, June 26, 2021)

**Table IV: Cumulative Value of Imports and Compounded Annual Growth Rate (CAGR)**

Year	Import (Rs. In cr.)	Cumulative Growth of export	% of Growth Y-O-Y	CAGR
2005-06	03.30	NA	NA	63%
2006-07	01.78	5.08	-46%	
2007-08	16.29	21.37	815%	
2008-09	00.76	22.13	-95%	
2009-10	08.31	30.44	993%	
2010-11	03.80	34.24	-54%	
2011-12	01.36	35.6	-64%	
2012-13	20.55	56.15	1411%	
2013-14	48.47	104.62	136%	

**Table V: Cumulative Value of Total Trade and Compounded Annual Growth Rate (CAGR)**

Year	Total Trade (Rs. In cr.)	Cumulative Growth of export	% of Growth Y-O-Y	CAGR
2005-06	07.39	NA	NA	27%
2006-07	63.91	71.3	765%	
2007-08	22.30	93.6	-65%	
2008-09	02.36	95.96	-89%	
2009-10	29.81	125.77	1163%	
2010-11	04.06	129.83	-86%	
2011-12	02.85	132.68	-30%	
2012-13	47.79	180.47	1577%	
2013-14	62.99	243.46	32%	

The above table III, IV and V clearly depicts the Cumulative Growth on Export, Import and Total Trade along with the Year-on-Year percentage Growth rate. Further, we can see that the compounded Annual Growth rate of the export, Import and Total Trade through The Moreh-Tamu Route in Manipur stands at 15%, 63% and 27% respectively. With suitable policies and programs, border-trade through this route can be significantly improved.

**Table VI: Descriptive Statistics**

DESCRIPTIVE	EXPORT	IMPORT	TOTAL TRADE
Mean	15.42	11.62	27.05
Standard dev.	19.97	15.49	25.54
Minimum	00.26	00.76	02.36
Maximum	61.87	47.71	61.55
Range	62.13	48.47	63.91
Number of observations	9	9	9

The above table VI exhibited descriptive statistics of the study from the period of 2005 to 2014. During the study period the export via Moreh trade point reached the maximum level of \$ 61.87 million and a minimum level of \$ 00.26 million. During the study period minimum average value of export was 15.42 with a standard deviation of \$19.97 million. Whereas during the above mentioned aforesaid period the import via Moreh reached the maximum level of \$ 47.71 million and a minimum level of 02.36. During the study period it was found that the average value of import was \$11.62 million with a standard deviation of \$ 15.49 million.

The Overall Trade via Moreh route reached the maximum level of \$ 61.55 and a minimum level of \$ 02.36 million. During the study period average it was found that the value of total trade was \$ 27.05 million with a standard deviation of \$ 25.54 million.

The year 2020 has witnessed the largest reductions in trade and output volumes since World War II. The declines in both world industrial production and goods trade in the first half of 2020 were of similar and undergone Global Financial Crisis (GFC). But the crisis disappeared more quickly, facilitating a V-shaped recovery in late 2020. Trade continued to grow strongly in 2021 and has compensated some, but not all, of the accumulated losses from the steep declines seen earlier (Arriola, Kowalski and Tongeren,2021).

### **Trade potentials Through Moreh Route in Indo-Myanmar Border-Trade**

The Border-Trade between India and Myanmar is mainly characterized by exporting of consumer goods from Myanmar and importing daily necessities from India. Both the country being agricultural based, the extent of trade could not be developed over the years. Moreover, most of the products/commodities being traded in the border areas are not of north-eastern origin thereby they get very little benefits out of these border trade. As the north-eastern part of India remained isolated from other parts of the country in terms of geographical entry of export items in the state, it has been a major impediment with increased costs and inability to compete in the international market. Moreh-Tamu route being the first official trading point for cross-border trade and having the nearest geographical proximity with Myanmar stands as a major route to further develop and enhance Border-trade between the two countries. Therefore, it is imperative to identify and highlight the potentialities of Indo-Myanmar Border trade through the Moreh route in Manipur for the state in particular and the country as a whole which will ultimately help in ripping the full benefits of border Trade with some necessary arrangements.

1. The trilateral highway development between India, Myanmar and Thailand offers excellent trade prospects. This project which is to be initiated from Moreh (Manipur) in India will further enhanced and energize the trade ties with the development of various pipelines, inland container depots, and development of industrial and trade centers at Imphal and Moreh.

2. Lack of all-weather sustainable infrastructure like transport, communication, electricity and financial institutions are the major hindrances behind the low level or reduced level of Border-Trade through Moreh route. Thus, having an appropriate transport and transit infrastructure by building various expressways, bridges, containerization, documentation

services and ware-housing facilities will not only boost the border trade but will also help in converting the informal business in the border to formal trade.

3. Myanmar economy is agriculture based, it may be treated as a business opportunity by providing various companies and educational institutions in Manipur to introduce and provide various training in skill development and introducing more numbers of upgradation centers and consultancy services. India can also start food processing sectors in Myanmar and also invest in its various agricultural livestock and fishery sectors keeping in mind the recent development of Food processing, horticulture and animal husbandry sectors in the state in particular and the other north-eastern states as a whole. Moreover, there is a need to amend the list of exempted items in the EXIM policy and more items must be included to enhance trade like the cotton yarn, medicine, handicrafts, etc.

4. Promotion of Tourism sector can be another strategic move by which Indo-Myanmar Trade can be develop more by building closer cultural and social ties and thereby bringing higher revenues out of International Tourism.

5. Timely and suitable publicity of information on Bilateral investment and information about credit lines extended by the Government India to Myanmar is also an another aspects which must be paid due attention for enhancing Cross-Border trade in the region.

6. Adequate banking and financial services in the border area can solve the problem of sourcing credit and foreign exchange. Other areas with scope for exports of services from the region include engineering, marketing, accounting, etc.

7. Development of favorable security arrangements and alternate travel arrangement and disposal of formalities at border transit points is the need of the hour. Further, Export-Promotion zones could also be set up near the Border area. BT can be carried out at a concessional duty of five percent on the identified items implying that the scope and prospect of Border-Trade at Moreh is as large and wide as the normal trade between the countries provided all legitimate conditions, such as custom duties, are fulfilled.

8. Official data on trade statistics shows that the amount of Border trade is highest in the Moreh route than that of Champhai and Lungwa as such polishing and making necessary changes and amendments in existing policies and procedures pertaining to the State's law and order problem, Poor demarcation and protection of Border areas is very imperative for smooth functioning of Border Trade between the two countries.

### **Suggestions**

The noteworthy finding of the present study is that there was a substantial increase in informal trade and formal bilateral trade between India and Myanmar. Trade was negligible in the last two years. The paper concludes with policy recommendations to address the impediments to formal trade across the land border with Myanmar and suggests measures that could facilitate the formalization of the rampant informal trade.

BIMST-EC, is a regional body of Bay of Bengal nations (Bangladesh, India, Myanmar, Sri Lanka, and Thailand- Economic Cooperation) are demanding to facilitate hassle free trade flow among its member countries.

**Conclusion**

Export potential of Moreh route is substantially is high considering the geographical proximity and the various industrial development and governmental projects taken so far. Since, Manipur is situated in the Border of Myanmar, all the export and Import items are placed through Manipur (Moreh Route). As such, the Moreh route plays a major role in furtherance and development of Indo-Myanmar Border Trade. The task at hand would require policy shifts as well as policy coordination. Realizing the significance of this route government (both center and state) have also initiated various measures and projects like the setting up of Export Promotion Industrial Park by the Department of Commerce and Industries of Manipur, establishment of Export Processing zone by the Rail India Technical and Economic Services (RITES); Development of The Integrated Infrastructure Development (IID); constitution of Counseling-cum-Redressal committee; State Level Export Promotion Committee to extract maximum benefit from this Border-trade. Although, the state is plagued with various societal, infrastructural and administrative problems, with necessary and timely arrangements by both the state and central Governments along with the initiation of various industrial and infrastructural projects and the upcoming of the Act East Policy will no doubt lead to more developed and prosperous Cross-Border Ties among these two nations.

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## Exploring the opportunities available to customers, marketers and third parties in online shopping in the dynamic age of technology

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### ABSTRACT

*For the past decade, online shopping has been the most sought-after topic for researchers and academics. Because it is one of the technological innovations in shopping, it provides many new opportunities to the business world and the customers and related third parties in this globalized technological age.*

*Online shopping allows businesses to serve their existing and potential customers 24 x 7 a day by eliminating geographic boundaries. With the help of online shopping, companies are directly connected with their customers, allowing businesses to get direct feedback from them and solve their problems quickly.*

*Online shopping helps customers find information about products and services, read product reviews, choose a convenient payment method, and get goods and services delivered at their doorstep.*

*Online marketers cannot run their business operations successfully without the support of third parties such as online market players, web designers, cookie developers, logistics service providers, IT service providers and open relay. Thus, with the emergence of online shopping, the third parties involved are getting wider opportunities to conduct their business by participating/helping in the business operation of online marketing. It also provides a convenient settlement facility for Business-to-Business (B2B) transactions and new employment opportunities.*

*This study throws light on the various opportunities online shopping offers for customers, marketers and third parties involved in this dynamic global technological age. The findings of this study will help online shopping stakeholders to become familiar with the wide range of opportunities available in online shopping. This study will allow marketers to identify new markets (i.e. virtual markets) for their products*

*and services and third parties involved in online shopping for their various service areas. This study will help both web marketers and third parties involved in online shopping make strategic business decisions to improve their bottom line.*

**Keywords:** *Online marketing, Digital Data Bank, Product Differentiation, Market Segmentation, Product Information, Product Reviews, Product Ratings, Risk Importance.*

## 1. Introduction:

The success of a business depends on the successful marketing of its products and services. Through marketing channels, businesses connect with their existing and potential customers. The traditional marketing method (like the local market) was the best option for the business houses to display their wares and interact with the customers, but this is the 21st century, the age of technology. Online marketing applies technology to marketing, allowing marketers to connect to their customers 24 x 7 using the World Wide Web (WWW).

The number of internet users is increasing day by day. Nowadays, every youth has a smartphone with an internet facility. Internet facility is readily available to ordinary people worldwide, which is not uncommon in India. According to **Business Monitor Intelligence (2012)**, during the year 2011, in North America, there were 225 million Internet users, and of them, more than 1 (one) billion were from Asia. Due to their busy daily schedules, people often have less time to interact with their relatives. So they are connected to them with the help of Facebook, Twitter, Instagram and similar social networking sites. **Fisch (2010)** reported in its study that after the introduction of Facebook, it had crossed 50 million users within two years. In addition, Facebook social media has over 1 (one) billion monthly active users. Van et al. (2011) observed that more than 70 per cent of the population of India, Brazil, Europe and the United States are members of at least one social media platform. It was also observed that the average Indian population has a membership of 3.9 social media platforms, while it is over 3 in Brazil and around 2 in Europe and the United States. These figures indicate easy internet access for the general public and provide a way for the business world to manage their business activities through the Internet, maximizing outreach and turnover. Online marketing is efficiently taking advantage of this opportunity, so the number of online sites increases day by day. Earlier, we had a limited number of online sites, but it became infinite due to the service sector's inclusion in online sites. Amazon.com, rediff.com, Snapdeal.com, flipkart.com, zabong.com, and lensKart.com are examples of online sites accelerating business activity in the economy. **Cheredar (2012) and Clay (2012)** stated that on 26 November 2012, Over 26.5 million items (i.e. 306 item orders per second) were ordered online by customers worldwide in all product categories. It thus shows that the traditional way of marketing is losing its status, such as communication, providing information and becoming aware of the products and services of the business.

Virtual marketing is being used not only through online sites but also through social media. **Williamson (2011)** stated that the cost of companies' worldwide marketing on social media platforms is US\$4.3 billion. The main motive behind increasing investments by companies in

social media platforms is that more than 50 per cent of social media users follow the brand. The growth of online marketing is beneficial to businesses and related parties such as middlemen and customers. Companies can conduct their business activities round the clock with a single click, facilitate customer information, comparison and doorstep delivery, and benefit third parties such as logistics, suppliers and stockists. Thus, this paper will highlight the benefits of online marketing in the business world and its stakeholders.

## **2. Rationalities of study:**

Man is always trying to do something new in society. Innovations are made to solve humanity's problems quickly and reliably. But, it should be investigated before applying it in the real world. Online marketing is one of the crucial innovations in marketing, and it is gaining popularity day by day. Online marketing provides a new platform for the business world. It is not only a place where businesses can place their products and services on their web pages but also interact directly with their customers without the help of intermediaries. Online marketing platforms provide various facilities to business houses, such as providing information about products and services, displaying customer reviews, and offering products at low prices. Furthermore, online marketing allows online sellers to serve customers 24 x 7, introduce new product lines, deliver products to the doorsteps of customers, speedy redressal of complaints, and market segmentation and differentiation.

In online marketing, customers enter their personal information and even debit card or credit card information (those who choose online payment options), which is very sensitive. Furthermore, they cannot feel or touch the products, so they are hesitant to choose an online marketing channel for their purchase decision. But security problems can be overcome by adding security features (such as encryption of sensitive information) and customer support services to the website architecture of business houses. Next, to overcome the problems of physical verification of products and services on the online marketing platform, the online web seller should provide complete information about the products and services and reviews and ratings of the products given by the customers on their website. Online marketing offers goods and services directly to its customers by eliminating intermediaries like distributors, wholesalers and retailers, and it obtains a competitive advantage at a low cost. It seeks support from third parties such as logistics and courier services to deliver goods and services. An online site is simply a platform (like a market traditionally in marketing) where any retailer can connect to sell their goods and services. In technical terms, it provides business-to-business (B2B) and business-to-customer (B2C) platforms. Security standards and huge initial setup expenses of online architectural infrastructure pose challenges to B2B and B2C online marketing channels. Based on the above discussion, the study identified the following research objectives:-

- 2.1** To explore the various online marketing opportunities available to marketers and their impact on their business operations.
- 2.2** To assess the various online marketing opportunities available to customers and their impact on customers.

2.3 To evaluate the various opportunities available to affiliate third parties in online marketing and its impact on their business operations.

### 3. Conceptual framework and Methodology

Marketing improves brand awareness and its recognition, sales, customer trust, healthy relationships with customers and a company's bottom line. It also supports intermediaries involved in supply chains such as distributors, wholesalers and retailers. In addition, effective marketing campaigns retain the existing customer and draw the attention of potential customers to the company's products and services. But, in the last few decades, the concept of online marketing has emerged in business and research. It is the result of technological innovation in the industry, especially in companies' marketing activities. Therefore, it becomes essential for companies, customers and third parties involved in online marketing to know the diverse opportunities available in online marketing.

This study will try to shed light on how online marketing is helping business houses in strategic areas of businesses such as low-cost profit, differentiation and market segmentation. Also, this study will analyse how digital data banks and **Electronic Customer Relationship Management (ECRM)** benefit from online marketing.

The study will also evaluate online marketing from a customer perspective and focus on how customers benefit from product information, product reviews and ratings, convenient payments and delivery of goods and services at their doorstep.

The study will also examine the involvement of third parties involved in online marketing and assess how much online marketing is helping them grow their business operations.

This study elaborates on the opportunities of online marketing for businesses, customers, and related third parties. Therefore, to fulfil the stated objectives of the study, the methodological part of the study is tried to complete with the help of available theories in this field. To understand the basic concept of online marketing, the research explored available literature (such as books and magazines) written by eminent authors and scholars. This research is working with online marketing, and it would be surprising if the study does not seek the help of the Internet. Therefore, the study visited reputable and authentic sites to understand business terminology and tried to put it in front of readers in simple language. The research visited the top online websites working in India, such as Amazon.com, Snapdeal.com, Flipkart.com, Jabong.com, lensecart.com and rediff.com, to find relevant information for the research work. The study cited findings and conclusions drawn by research scholars, faculty members, and research institutes to support the study's objectives. The researcher personally interacted with third parties associated with online businesses, such as web designers, cookies developers, logistics service providers and IT service providers, to determine what opportunities they had when supporting businesses' online marketing activities. In addition, this study visited various online sites to read customer reviews and comments on goods and services. With the help of the Internet and to meet the study's objectives, this research studied speeches delivered by "Resource persons and eminent speakers" in workshops and seminars related to the topic of online marketing. Therefore, it can be said that the study explored every

possible available source of information to extract input for research work and support the above research objectives.

#### **4. Online marketing channel provides the following opportunities to web marketers:-**

##### **4.1 Digital Data Bank**

For analysing anything, data and information play an essential role. Business, customer, and business-related third parties require relevant data and information to analyse the present prospects and make rational decisions. In the technological age, data and information are digitally "protected and stored" to be easily used and analysed when needed. Business sectors, such as financial institutions, insurance and mobile telecommunications, provide virtual products to their customers rather than physical products, and their business relies entirely on the information. Thus, information became an important parameter to achieve the company's desired objectives.

Online marketing activities are conducted in a virtual marketplace with the help of the Internet in real-time. Here, customers provide their demographic details such as name, age, gender, and communicative addresses, emails and mobile numbers to register themselves on online sites and receive products and services at their homes. In the virtual marketplace, customers' worldwide, without the time and geographical constraints, can get information about the company's available products and services, compare them, choose payment options and place orders. Such customer activities are tracked and stored by companies with the help of **Artificial Intelligence (AI)**. Hence it can be said that business organizations get information about the activities of consumers as a digital data bank without incurring additional expenditure. The data provided by the digital data bank is processed and analysed by experts so that businesses and their managers can decide on a strategy and make rational decisions. But the implementation of a digital data bank becomes a challenging task for the business world due to its periodic maintenance and updating process.

##### **4.2 Low-Cost advantages**

Online marketing facilitates the business world to provide goods and services at affordable prices to customers by eliminating intermediaries in buying and selling goods and services. As a result, it gives business organizations a competitive advantage. **White (1986)** studied 69 business units and found that 19 of the 69 business units achieved competitive advantage and the highest return on investment with a combination of both low cost and differentiation. So this influences business organizations to create a web page to conduct their business operation through their traditional methods and online. Furthermore, in online marketing, web vendors are not required to bear the fixed expenses of physical stores, such as shop rent, electricity charges, staff salaries, and expenditures on store layout that are part of operating costs. And as such, it also gives low-cost advantages to online marketers.

### 4.3 Differentiation

In the competitive era, every business sector faces competition, but with the help of a differentiation strategy, business organizations can eliminate it and survive. **Fast-Moving Consumer Goods (FMCG)** can also be differentiated, such as sugar can be determined based on the thickness of its grain. However, it has similar properties and is available at all grocery stores without any price difference. Likewise, hand washing liquid can be differentiated based on its aroma and clinically proven certificate, although all handwashing liquid has the same chemical composition. **Phillips et al.; (1983)** reported that there is a significant and positive relationship between "relative product quality" and "relative market conditions". In other words, he states that there is a substantial and positive relationship between discrimination and market share. **Hall's (1980)** study on 64 companies in eight significant industries has yielded similar results. Many of the most profitable companies have achieved success through the lowest cost or most differentiated position within their industry. Similarly, online marketers can differentiate themselves from other competitors with the help of online marketing opportunities such as offering services at the consumers' doorsteps, facilitating EMI payments, and providing additional discounts to their loyal customers. Thus, it can be seen that with the help of differentiation, online marketing allows business houses to curb competitors and survive in a competitive business environment.

### 4.4 Marketing Segmentation

In marketing, market segmentation is a process where a large homogeneous market is broken into clearly identifiable segments having similar needs, wants, or demand characteristics. It helps marketers to closely monitor and meet the expectation of a subset of the homogeneous market. As stated in **Business Dictation (2014)**, market segmentation aims to design a marketing mix (such as product, price, promotion, and place) that perfectly matches customers' expectations in the target segment. Traditionally, there were four types of segmentation variables, geographic, demographic, psychological, and behavioural, based on which customers were classified **Kotler and Armstrong (2011)**. But, to **Dibb and Quinn (2010)**, traditional segmentation variables such as demographic and geographical became outdated, and now the segmentation theory has become too close. Hence, the segmentation variable should be in a way that focuses on the customer's needs. As **Lin (2002)** suggested, marketers should select segmentation variables that should be a part of the new, expanded approach of market segmentation theory, which focuses more on the personalities and values of the customers. In online marketing, consumers' browsing activities reflect consumers' attitudes, preferences, needs, expectations, and desires for products and services. Online marketers trace these activities with the help of **Artificial Intelligence (AI)** to read consumers' minds closely and segment the market. For this reason, the best possible popup containing a list of goods and services appears on the consumer's computer screen. With the help of technology, online marketing allows online sellers to segment the market.

#### **4.5 Electronic Customers Relationship Management (ECRM)**

Customers are a central part of the business. Thus, a healthy relationship between the company and the customer can be fruitful. But, in online marketing, there is a lack of direct contact between customers and marketers. Thus, in such marketing platforms, a system is needed that takes care of customer issues. As **Rosen (2001)** indicated, a system should be designed that focuses on issues related to the customer and its processes. The findings of previous research and the School of Business Management have also advocated the beneficial effects of healthy relationships between customers and business organizations. Online marketing uses technology such as **Electronic Customers Relationship Management (ECRM)** to maintain these beneficial effects in online businesses. **Dyche (2001)** described two types of ECRM, namely "**Operational Electronic Customer Relationship Management (OECRM)**" and "**Analytical Electronic Customer Relationship Management (AECRM)**". The scope of ECRM in online marketing is customer loyalty, effective marketing, better services and customer support, increasing efficiency and reducing costs. At the same time, **Wang (2008)** indicated that ECRM is nothing but maintaining customer relationship management with the help of Internet technology. In addition, ECRM helps online retailers maintain customer databases, online analytical processing (OLAP), information storage and data mining. However, collecting and storing customer data will not create a healthy relationship between the business and the customer. This means that to detect the information hidden behind customers' data, the data must be analysed in a meaningful way. As **Jain (2003)** pointed out, a firm's success in customer relationship management depends on using customer data rather than collecting and keeping customer data. Similarly, ECRM fails to produce desirable results when customers' data is not processed meaningfully. In addition, business houses face various challenges (e.g. installation costs, integrated applications, collaboration across different departments, security and security measures) when adopting the ECRM technology of customer relationship management. However, the limitations of ECRM can be removed with the implementation of appropriate technologies, so it can be said that online marketing provides ECRM to businesses which help them maintain healthy relationships among their customers.

#### **5. Customers benefit from online marketing channels in the following ways:**

Online marketing allows customers to access products and related information with a single click. It offers the customers the best choice of various products and services. The benefits provided by online marketing to the customers are detailed in the following broad categories:

##### **5.1 Product information and comparison**

Consumers rely on product information and images available on online sellers' websites to evaluate products and make purchase decisions in online marketing. It does not allow customers to assess the effects by touch, feel and smell available in the traditional form of marketing. Consumers cannot touch and feel the products offered by online sellers until they

receive and use them. The lack of these features in online marketing compels customers to gather information. Consumers need information so they collect it from both external and internal sources to reduce risk and make rational decisions. **Murthy et al. (1997)** has stated that both internal and external information can reduce perceived risk. **Blackwell et al. (2001)** said that internal communication could be retrieved and collected by recalling past experiences such as pre-brand experience (e.g. brand familiarity), prior format experience (i.e. online shopping versus in-store), and previous experience of advertising. Is.

Similarly, external information can be gathered from reference groups (e.g. co-workers, family members) and markets (e.g. product descriptions online). Online marketing is a platform where consumers do not have to visit the marketplace for product information personally. It can be easily accessed at home with a single click. In addition, customers can visit various online sites and online marketing platforms with the help of the Internet to compare products and services. Thus, online marketing allows the customers to access and compare the information of the products at their convenience, which is not available in the traditional form of marketing.

## 5.2 Products Reviews

In online marketing, customers share their experiences after using the products and services offered by online sellers, commonly known as product reviews. Before placing an order, online shoppers use it as a valuation tool to evaluate products and services and make purchase decisions. **Bolton et al. (2004)** state that online reviews contain quality information; therefore, customers use them to reduce risk. Similar to **Word-of-Mouth (WoM)** in a traditional form of marketing, product reviews influence the buying decisions of online customers. Furthermore, **Buttle (1988)** found that multiple studies reduce uncomfortable feelings of risk exposure and strengthen online shoppers' trust. Therefore, online marketing provides product reviews as an opportunity for its buyers to evaluate goods and services and make rational buying decisions.

## 5.3 Convenient Mode of payment:-

Online marketing offers its customers a variety of payment options such as **Cash on Delivery (COD)**, bank cards (such as credit and debit cards), mobile apps, EMI facilities and coupon redemption. These online marketing features encourage customers to make purchases even if they do not currently have cash. Moreover, the payment option available on the online marketing platform provides a cost-effective transaction and allows online shoppers to get an offer even at the last minute. These payment options force customers to prefer online marketing over traditional forms of marketing.

## 5.4 Shipment of goods and services.

In the traditional marketing method, the customer must personally visit the store and follow the purchase process, such as searching for the products, evaluating them, going to the

payment counter, making the payment and finally taking the purchased item home. Online marketing eliminates all these purchasing processes because, with one click, customers can discover the product, evaluate it through reviews, take advantage of payment options (e.g. online or COD), order one and get it at their door. In addition, customers can either download music and software directly or deliver to a pen drive and CD after making the payment in online marketing. Therefore, the study believes that online marketing provides both tangible and intangible products at customers' doorstep. These features of online marketing make it further development.

## **6. Online marketing provides the following benefits to the third parties associated with the online marketing platform:-**

Third parties may be independent individuals or entities that work on behalf of business organizations and assist in business operations. Online marketing provides a new business platform for these third parties associated with online sellers. Third parties include online marketplaces, logistics suppliers, website designers, cookies developers, IT service providers, and open relays in online marketing. These third parties engage and help in the operational activities of business organizations across the country with the help of the internet. Let us see how online marketing gives these third parties an additional opportunity to develop themselves by serving business organizations.

### **6.1 Online marketplace:**

An online marketplace or e-commerce marketplace is a virtual marketplace platform (in technical terminology, it is a type of e-commerce site) where business entities display information about their products and services. Examples of some popular online marketplaces are Amazon, Flipkart, Snapdeal, ShopClues and rediff.com. These e-commerce sites charge participating business entities for providing such services. Customers visit these virtual marketplaces with the help of the internet to order their essential products and services. Market operators process orders placed by customers and notify the participating entities or wholesalers so that they can be further processed to be delivered to the customer's doorstep. In this way, online marketing allows e-commerce sites / virtual marketplaces to develop themselves by serving businesses and customers associated with online marketing.

### **6.2 Web designer:**

The website is a virtual store of business organizations. Like physical stores, online stores must be attractive and synchronized to serve dual purposes, such as attracting customers and customers do not face any difficulties when accessing goods and services placed on businesses' websites. Business organizations depend on web designers to create a web store and its content. Web designers take technical support such as hypertext and hypermedia resources, including **HyperText Mark-Up Language (HTML)**, **Cascading Style Sheets (CSS)**, to design businesses' websites and use various styles, and layouts, texts and images to

make them enjoyable. Within a few years, many reputed academic institutions have developed professional web designing courses to provide expert web designing skills and meet the demand for web designing for online marketing. In this way, online marketing creates an additional employment opportunity in society by providing new employment opportunities, that is, web designers.

### **6.3 Cookie developer:**

The cookies developer develops cookies and places them on the customer's hard disk from a domain other than the domain the customer sees. It helps business sites remember and store customer activities, such as surfing, personalization preferences, and tracking information. Businesses subscribe to ad networks to set cookies to increase sales or page hits in many cases. Therefore, online marketing professional cookies provide not only a new business opportunity to the developer and advertising agency but also an employment opportunity.

### **6.4 Logistic Service provider:**

Logistic service is required for both business forms, i.e. traditional and online. A typical logistics service includes courier companies, freight forwarder companies, and other subcontracted logistics and transportation service companies. However, in an online marketing platform, logistic service providers promote online marketing businesses by providing delivery, storage and fulfilment services. The success of online marketing depends on the services offered by these logistics service companies. The dependence of online marketing on logistics services enriched the field of logistics services.

### **6.5 IT service provider:**

IT Service providers are the backbone of online marketing platforms. In online marketing, information technology (IT) service providers are institutions that provide IT solutions and services to both customers and online marketers. A typical IT service provider offers hosting services, cloud services, **Software as Service (SaaS)** and storage services to online marketers. In addition, IT service providers resolve online customers' technical issues (e.g. payment related issues). Web marketers, without their help, can neither connect with the outside world nor make transactions successful. Thus, online marketing provides an additional opportunity for IT service providers by expanding their operational activities in the virtual business world.

### **6.6 Open relay:**

Online marketing uses an open relay to hide or obscure the sources of the message being sent using the **Simple Mail Transfer Protocol (SMTP)** email server. Sometimes, online marketers need the help of open relay to surprise their customers by sending emails about new technological advances in a particular area (due to unclear sources of messages). In this way, online marketing provides an additional business opportunity for open relay. However, it is

losing its importance as most antiviruses intercept messages coming through open relays in customers' emails.

## **7. Results and discussion**

Businesses are always on the lookout for new business opportunities because, at present, business operations are becoming more complex and competitive day by day. Very few companies have a competitive edge, so most companies implement business strategies (such as differentiation) to survive in a competitive environment. However, these strategies are not giving the expected results for the businesses as all the companies are aware of these strategies and behave accordingly. Therefore, enterprises seek to do business unconventionally to overcome competition, survive and earn supernatural profits. Online marketing is a technological advancement in marketing that benefits businesses and customers and their associated third parties. This study discusses the various opportunities created by online marketing to businesses, customers and concerned third parties. Based on the above discussion, the analytical conclusions of the study are as follows:

- 7.1** Online marketing allows businesses to connect with their customers and associated third partners 24 x 7 hours a day and 365 days a year.
- 7.2** Online marketing provides businesses with digital data banks with a history of customer demographics and purchases that help companies in the market segmentation process according to customer demographics, brand preference, item reviews, and ordered goods.
- 7.3** Typically, businesses use Artificial Intelligence (AI) to detect customers' browsing activities on online websites. It helps companies advise their customers about similar products and services, offers, new product lines, discounts and exclusive offers.
- 7.4** Online marketing facilitates electronic customer relationship management (ECRM), allowing web marketers to receive and resolve customer complaints quickly.
- 7.5** Web marketers sell goods and services directly to customers by eliminating all intermediaries in the supply chain, such as distributors, wholesalers, and retailers. Thus, online marketing gives web marketers a cost advantage.
- 7.6** With the help of online marketing, web sellers can differentiate themselves from their competitors by making minor changes in value-added service (even products and services are the same) for their customers. Thus online marketing facilitates marketers to curb competition by one of the marketing techniques, i.e. differentiation.
- 7.7** Online marketing makes the shopping process easier for customers by eliminating time and geographical constraints. The internet allows customers to do online marketing anytime and anywhere; besides, it will enable customers to search for products, read reviews, read ratings, choose convenient payment options and order.
- 7.8** Physical verification does not become an obstacle in online shopping. Online marketers provide information and product reviews of products on their websites as an alternative to physical verification (such as touch, feel and smell) that allows customers to view and evaluate products offered online.

- 7.9** Online shopping platforms make it easy for customers to shop by offering convenient payment options, such as cash on delivery (COD), bank cards (both credit and debit), EMI, mobile apps and coupon redemption.
- 7.10** Online marketing delivers goods and services to customers' doorstep, so customers do not have to worry about carrying goods and services to their homes as traditional marketing forms. In addition, it allows customers to download software and music directly from the web marketer's site after making the requisite payment.
- 7.11** With the help of online marketing, the innovative idea of regional level gets exposure across the country as regional level small and cottage industries can connect with online website operators and get the right platform to sell their products across the country. In other words, it nurtures small and cottage industries.
- 7.12** Due to online marketing, third parties associated with online businesses such as web vendors, logistics suppliers, website designers, cookies developers, and IT service providers gain the opportunity to expand their business operations and raise the bottom line.

## **8. Limitations and ideas for future research**

Based on the theoretical background, the paper explored the concept of online marketing and its potential opportunities, which would be helpful for businesses, customers and third parties. A detailed discussion of this study will help businesses, customers, and third parties to step into online marketing in the least risky way possible. In addition, this study will force them to think and take the necessary steps to overcome the shortcomings of online marketing to reap the optimal benefits from it. Despite these relevant findings, the study has the following limitations: -

- 8.1** This study theoretically explored the various opportunities online marketing brings to businesses, customers and third parties. Therefore, there is further research to do empirical research to validate these online marketing opportunities.
- 8.2** The identified and mentioned online marketing opportunities for businesses, customers and third parties in this study are only indicative and not exhaustive. Therefore, future research is expected to explore more online marketing opportunities for businesses, customers, and third parties.
- 8.3** Due to time and money constraints, this study cannot conduct empirical research to investigate the various “opportunities” for businesses, customers and third parties. Therefore, this research can be extended to see which online marketing “opportunities” have more or less impact on business, customers and third parties.
- 8.4** In addition, a study can be conducted to examine the impact of various online marketing “opportunities” on different business sectors (e.g. financial institutions, insurance and leasing). And its results can be compared to see which business sector is more / less affected by these online marketing “opportunities”.

## 9. Conclusions

There is no doubt that online marketing has brought a new revolution in the world of business, especially in the field of marketing. Most companies have changed their marketing activities online, and some are taking advantage of both marketing activities (i.e. online and traditional methods) due to the nature of their business. Online marketing is gaining popularity daily due to its inherent features that benefit web marketers, customers, and third parties. Online marketing gives businesses the benefit of market segmentation, differentiation and low cost. In addition, it facilitates companies to connect both existing and potential customers round the clock and forge a healthy relationship with them through electronic customer relationship management (ECRM). Customers are reaping the benefits of online marketing, such as product information, product comparison feature, product ratings, customer reviews, low-cost products and services, convenient mode of payment, doorstep shipment and after-sales service. Third parties like web vendors, logistics suppliers, website designers, cookies developers, IT service providers and Open Relay are also improving their bottom line with the help of online marketing. However, information security is a typical challenging task for businesses, customers, and third parties in online marketing. Thus, online marketing offers a wide range of opportunities to companies, customers, and third parties. But it should be monitored regularly to avoid any damage.

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# Public Sector Health Insurance: Prospects and Challenges

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## ABSTRACT

*Health insurance sector plays a key role for providing better health care facility to people of the country. Health insurance provides the much needed financial relief. The financial burden due to health care expenditure is a major issue still facing in India. Day by day health care cost is increasing both for out-patient and in-patient care. The country has no sufficient social security system to tackle the issues.*

*According to IRDA, five public sector insurance companies which have been performing health insurance business in the country are categorized into two main groups such as Life Insurers of Public Sector and Non-Life Insurers of Public Sector.*

*In context of health insurance, the Central Government and different State Governments have launched from time to time various health insurance schemes in the country/states such as Employees' State Insurance Scheme, Central Government Health Scheme, Universal Health Insurance Scheme, Voluntary Health Insurance: Rajiv Arogyasri Scheme, Kalaingar Health Insurance Scheme, Vajapayee Arogyasri Scheme, The Yeshasvini Scheme in Karnataka, Rashtriya Swasthya Bima Yojana, National Health Policy, Janraksha Insurance Scheme, Aam Admi Bima Yojana, Janashree Bima Yojana, Atal Amrit Abhiyan, Ayushman Bharat, etc. The present study attempts to discuss the growth of health insurance. The paper also highlights the issues and challenges of health insurance of public sector insurance companies in India.*

**KEYWORDS:** *Health Insurance, Perception, Customers, Insurer, Insured.*

## INTRODUCTION

Health is a human right. There is a need to maintain good health of every citizen of the country. The expenditure of medical treatment is beyond the control of general people of the nation. Health is essential part of the economy; it is required to all sections of people of the society. Health care is always a burning problem of India; most of the people of the country are living in rural and semi-urban areas, a large number of people live in below the poverty line. The Government and different companies have started exploring various health financing options to control the problem arising out of increasing cost of health care of people of the country.

The health insurance sector has been playing a key role in the country for maintaining better health care of people. Now health insurance has become a strategy to reduce out-of-pocket payments, it helps not only safety from financial risk but also tax benefits of the policy holders. Of course, health insurance sector remains highly underdeveloped and less significant segment of the product portfolios, it is now emerging as a tool to manage financial needs of people to seek health services.

Health insurance is a mechanism by which a person protects himself from financial loss due to accident and/or disability. Though disability is not fixed, precise and immutable state as it is affected by numerous influences, its significance to society is that condition of ill health arising from disease or injury that prevents the individual from pursuing his normal routine of living. The universality of the hazard of disability is everywhere recognized; just as—uncertainty is one of the fundamental facts of life (Knight 1921).

According to IRDA, five public sector insurance companies have been performing health insurance business in the country. It is observed from annual reports of IRDA that the number of policies is sold and the amount of premium is being collected has been gradually increasing in every year. The five public sector insurance companies which have been operating the health insurance business in India are classified into two categories such as (i) Life Insurers of Public Sector and (ii) Non – Life Insurers of Public Sector. Thus, Life Insurer of Public Sector is such as (i) Life Insurance Corporation of India. It is the only Public Sector Life Insurance Company in India. It operates both Life Insurance and Health Insurance business in India. On the other hand, the Non–Life Insurers of Public Sector are also classified into four categories such as (i) National Insurance Co. Ltd. (ii) The New India Assurance Co. Ltd. (iii) The Oriental Insurance Co. Ltd. and (iv) United India Insurance Co. Ltd. They deal with not only General Insurance, but also Health Insurance and Casualty Insurance business in the country.

### **OBJECTIVES OF THE STUDY**

The objectives of the present paper are hereunder:

1. To discuss the growth and development of health insurance.
2. To explain the opportunities of health insurance.
3. To study the different issues and challenges of health insurance faced by the customers and agents of public sector insurance companies.
4. To recommend the necessary suggestions for enhancing health insurance of public sector insurance companies in India.

### **METHODOLOGY OF THE STUDY**

The study was carried out with the help of secondary data. The secondary data were collected and used from different books, journals, periodicals, IRDA: Annual Reports, LIC: Annual Reports, GIC: Annual Reports, reports and financial statements of different insurance companies, Government and Non-Government reports, statistical hand books, statistical information, data available in different handbooks published by Government of Assam and India etc. as well as from different relevant websites.

## GROWTH AND DEVELOPMENT OF HEALTH INSURANCE

Health insurance may be either a personal scheme or a group scheme sponsored by an employer. In case of health insurance, there are three parties such as the insured, the insurer and the provider (hospital). TPA acts as an extended arm of the insurance company and assists in claim processing, managing the hospital networks and also helping in enrolment of customers.<sup>1</sup>

The first general insurance company in India was the Triton Insurance company Ltd., established in Calcutta in 1850 AD, with the British holding major share. The first general insurance company by Indian promoters was the Indian Mercantile Insurance company Ltd. started in Bombay in 1906-07. The insurance Act was passed in 1912 and it was revised in 1932 and also the Life and Non-life categories were recognized. The general insurance is known as non-life insurance in India. The health insurance is a part of the non-life insurance business, there is no clear demarcation. Even today both the life and the non-life companies are allowed to deal with health insurance products.<sup>2</sup>

Government-Sponsored Health Insurance Schemes (GSHISs) were introduced by the Central Government in the year 1940-1960. Thus, the Employees' State Insurance Scheme (ESIS) was enacted in 1948 for blue-collar workers employed in the private sector and the Central Government Health Scheme (CGHS) was established in 1954 for Central Government Employees and for their families for providing comprehensive medical coverage and followed a traditional social insurance risk-pooling model in which funds are pooled through employer and employee payroll contributions which are supplemented in these schemes by government subsidies.<sup>3</sup>

The General Insurance Business (Nationalisation) Act, 1972 nationalised the general insurance business in India with effect from 1st January, 1973 to ensure healthy growth of the business. There were 107 insurance companies including foreign companies amalgamated and grouped into four subsidiary insurance companies of GIC for dealing with both general and health insurance business in India.<sup>4</sup>

Mediclaim policy was introduced in 1986 to provide insurance benefits to individual customers and groups under a group mediclaim policy and it provided reimbursement of medical cost for hospitalization and domiciliary hospitalization excluding the coverage of OPD treatment expenditure. The sum assured of this policy is between Rs.15, 000 to Rs.5 lakh. It covered the age from 5 years to the age of 80 years. The children between the age of 3 months and 5 years were also covered in additional payment of premium. The minimum premium was Rs. 213 per annum for the lowest sum assured of Rs. 15,000 which is for less than 35 years age of persons. The highest premium was Rs. 17,156 per annum for customers in the age group between 76 years and 80 years for the maximum sum assured of Rs. 5 lakh.

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<sup>1</sup>. Chapter- 4: *Trends in Indian Health Insurance Industry*. PP.103-104. Retrieved from the websites on 20<sup>th</sup> March 2017.

<sup>2</sup>. Ibid, PP.103-107-108.

<sup>3</sup>. Gerard, La Forgia., and Somil, Nagpal. (2012). Government-Sponsored Health Insurance in India; Are You Covered?. *The World Bank*. Washington DC. [www.worldbank.org](http://www.worldbank.org).

<sup>4</sup>. Chapter – 4.op. cit. PP. 108-109.

The scheme was modified in 1991 and 1996 and the benefit was provided by the mediclaim policy on the basis of reimbursement. Reimbursement of the expenditures was granted by insurance companies on production of the required bills and documents of the hospitals. Fund managing is very difficult during the period of admission in the hospital; hence cashless payment facility was introduced.<sup>5</sup>

Public sector insurers collected amount of Rs. 23,536.26 crore in 2018-19 and amount of Rs. 24,631.85 crore was collected in 2019-20 as health insurance premium. Whereas, public sector life insurance corporation of India collected amount of Rs. 435.50 crore in 2018-19 as against amount of Rs. 426.33 crore in 2019-20 as health insurance premium. The net incurred claims of health insurance business of public sector stood at amount of Rs. 20559.99 crore in 2019-20 as against the amount of Rs. 19275.79 crore in 2018-19.<sup>6</sup>

The existing health insurance schemes are available in India which can be broadly categorized as under:<sup>7</sup>

1. Mandatory Health Insurance Schemes or Government-Sponsored Health Insurance Schemes (GSHISs).
2. Voluntary Health Insurance Schemes or private for profit schemes.
3. Insurance offered by NGOs/Community Based Health Insurance.
4. Employer Based Schemes.

#### **Mandatory Health Insurance/Government-Sponsored Health Insurance Schemes (GSHISs)**

Mandatory health insurance schemes cover a good number of people who contribute to the scheme. There are two types of mandatory health insurance schemes such as Employees' State Insurance Scheme (ESIS) came into existence in 1952 and Central Government Health Scheme (CGHS) was established in 1954 in India.<sup>8</sup>

##### **Employee State Insurance Scheme**

Employee State Insurance Scheme (ESIS) was enacted in 1948; the Employers' State Insurance (ESI) Act was the first major legislation on social security in India.<sup>9</sup>

##### **Central Government Health Insurance Scheme**

Central Government Health Insurance Scheme (CGHS) was established in 1954, the CGHS covers employees and retirees of the Central Government and certain autonomous and semi-autonomous and semi-government organizations.<sup>10</sup>

<sup>5</sup>. 11<sup>th</sup> Report of the Committee on public undertaking—Health Insurance- A horizontal study. 2005-06, Ministry of Finance, Govt. of India.

<sup>6</sup>. Annual Report: 2019-20. Insurance Regulatory and Development Authority in India (IRDA). Hyderabad – 500 004, India. [www.irda.gov.in](http://www.irda.gov.in).

<sup>7</sup>. Anita, J. *Emerging Health Insurance in India – An overview*. 10th Global Conference of Actuaries. PP. 83.

<sup>8</sup>. Reddy, K. Srinath., et al. (31st January: 2011). *A Critical Assessment of the Existing Health Insurance Models in India*. Sponsored under the Scheme of Socio-Economic Research, The Planning Commission of India, New Delhi. A Research Study Submitted By Public Health Foundation of India. Pp. 26-27.

<sup>9</sup>. Anita, J. op. cit. pp. 83-84.

<sup>10</sup>. Ibid, PP.84.

### Universal Health Insurance Scheme

The Government declared Universal Health Insurance Scheme (UHIS) in 2003 which covers financial risk protection to the poor people of the country. The scheme is designed for both an individual and a family (group) health insurance.<sup>11</sup>

### Voluntary Health Insurance

Voluntary Health Insurance scheme was introduced in 1986 covering the large number of people who received the facilities from either public health sector or private health sector. Subsequently, various types of health insurance schemes were introduced by the different States Government such as **Rajiv Arogyasri Scheme (RAS)** was introduced by the Government of Andhra Pradesh in 2007 for Below Poverty Line people of Andhra Pradesh, **Kalaignar Health Insurance Scheme** was introduced in Tamil Nadu (2009) and **Vajapayee Arogyasri Scheme** was introduced in Karnataka (2009) for the poor people of the country. **The Yeshasvini Scheme in Karnataka** (2003) was a government subsidized voluntary health insurance scheme, targeting the poor people. The **Rashtriya Swasthya Bima Yojana (RSBY)**(2008) was initiated by the Central Government (Ministry of Labour and Employment) as a national health insurance scheme targeting the BPL people.<sup>12</sup>

### Rashtriya Swasthya Bima Yojana

Rashtriya Swasthaya Bima Yojna (RSBY) is a Central Government Scheme announced by the Prime Minister in 2007. RSBY came into existence from 1st April 2008 onwards. Rashtriya Swasthya Bima Yojana is the programme of Ministry of Labour and Employment, Government of India to provide health insurance coverage for Below Poverty Line (BPL) families.<sup>13</sup> The institutional structure of RSBY is implemented in a public-private partnership mode. The Director General of Labour Welfare at Ministry of Labour and Employment is the main nodal agency responsible for implementing RSBY at the central level. There are six decision makers in the scheme of RSBY; they are the Central Government, State Government, State Nodal Agency, Insurance Company, Network Hospitals and NGOs. The decisions made by each one of them are presented in accompanying.<sup>14</sup>

### The National Health Policy

The National Health Policy (NHP) was introduced in 2002 in India. The objective of the policy is to evolve a new system which would eliminate the inequities and enable the poor sections of the people to access to essential health care. The NHP 2002 also aimed to enhance the aggregate health investment from public sources through increased contribution from the Central Government and State Governments.<sup>15</sup>

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<sup>11</sup>. Ibid, PP.84-85.

<sup>12</sup>.Reddy, K. Srinath., et al. (31st January: 2011). op. cit. pp. 27-28.

<sup>13</sup>.Kumar, Senthil, S. A., and R. Ramamoorthy. (April, 2013). Health Insurance Market in India–The Way Forward.*Language in India*.Vol. 13 (4).ISSN 1930-2940.[www.languageinindia.com](http://www.languageinindia.com).

<sup>14</sup>.Reddy, K. Srinath., et al. (31st January: 2011). op. cit. pp. 41 &59.

<sup>15</sup>. World Health Organization, (March: 2003). *Social Health Insurance*. Report of a Regional Expert Group Meeting, New Delhi, India, 13-15, Regional Office for South-East Asia. SEA-HSD-265, Distribution: General. Page-18.

### **Janraksha Insurance Scheme**

Janraksha Insurance Scheme was introduced in 2002-03 by the National Budget of India which was designed and developed to provide financial protection to the poor and weaker section of people of the society. The policy is based on premium, with a premium of Rs. 1/ per day, it provides a benefit of packages.<sup>16</sup>

### **Aam Admi Bima Yojana**

Aam Admi Bima Yojana (AABY) is a social security scheme for rural landless household which was introduced on 2nd October, 2007 by the Government of India. The head of the family or one earning member in the family of such a household is covered under the scheme. The premium of Rs.200/- per person per annum is shared equally by the Central Government and the State Government.<sup>17</sup>

### **Janashree Bima Yojana**

Janashree Bima Yojana (JBY) was introduced on 10th August, 2000 a Government-Sponsored Socially Oriented Insurance Scheme. The scheme replaced Social Security Group Insurance Scheme (SSGIS) and Rural Group Life Insurance Scheme (RGLIS). This scheme covers 45 occupational groups.

Aam Admi Bima Yojana and Janashree Bima Yojana have been merged into one scheme as social security by the approval of the Ministry of Finance under the Government of India. The merged scheme was renamed as “Aam Admi Bima Yojana”, and has come into effect from 01.01.2013.<sup>18</sup>

### **Atal Amrit Abhiyan**

Atal Amrit Abhiyan (AAA) was introduced in April, 2017, by the Government of Assam as a health insurance scheme for people the state. Health Smart Card is issued to the required people of Assam for their treatment under the scheme of Atal Amrit Abhiyan. Health Smart Card holders have to pay Rs. 100/ as fee of the card and in continuation of benefits of the scheme, Smart Card holders have to renew the card by paying Rs. 100/ every year.<sup>19</sup>

### **Ayushman Bharat**

Ayushman Bharat Programme (ABP) was announced on 1<sup>st</sup> February, 2018 in the General Budget 2018-19 in Parliament by the Union Minister for Finance and Corporate Affairs under the Government of India. Two major initiatives in health sector are (i) Health and Wellness Centre and (ii) National Health Protection Scheme which are under Ayushman Bharat Programme.<sup>20</sup>

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<sup>16</sup>. Ibid.

<sup>17</sup>. <https://www.bankbazaar.com/health-insurance/aam-aadmi-bima-yojana.html>

<sup>18</sup>. <https://www.bankbazaar.com/life-insurance/janashree-bima-yojana-policy.html>

<sup>19</sup>. (i). <https://nhm.assam.gov.in/schemes/atal-amrit-abhiyan-0>

(ii). <http://www.atalpensionyojana.co.in/atal-amrit-abhiyan/>.

<sup>20</sup>. <http://pib.nic.in/pressreleaselframepage.aspx?PRID=1518544>.

### **Public Health Insurance Companies and Schemes**

In public health insurance sector, there are two major corporations in India, the General Insurance Corporation (GIC) and the Life Insurance Corporation (LIC). The General Insurance Corporation (GIC) of India and its four subsidiary companies such as

1. National Insurance Company Ltd. (NIC),
2. New India Assurance Company Ltd. (NIAC),
3. Oriental Insurance Company Ltd. (OIC), and
4. United India Insurance Company Ltd. (UIIC)

These are the major health insurance players in public sector insurance companies in India. These companies provide different voluntary health insurance schemes to the people of the country. These public sector insurance companies are non-life insurance sector; they also deal with health insurance business in India.

The Life Insurance Corporation (LIC) of India is a public sector insurance which provides voluntary health insurance schemes to the people. The most popular health insurance scheme offered by LIC is Arogya Rakshak Policy. Another new health insurance scheme namely Cancer Covered Plan was introduced particularly for cancer disease.

Public sector insurance companies are leading in both life and non-life insurance sector. The medical reimbursement schemes have been designed for providing to individuals and groups that can be broadly categorised into three ways<sup>21</sup>:

- (i). Individual reimbursement schemes,
- (ii). Group reimbursement schemes, and
- (iii). Specific medical reimbursement policies.

### **Voluntary Health Insurance Schemes or Private for Profit Schemes**

The policy holders/customers are willing to pay premium to an insurance company that pools similar risks and insures them for health related medical treatment bills and expenses.

### **Community Based Health Insurance Schemes**

Community Based Health Insurance Schemes (CBHIS) are basically provided to poorer people of the communities. The schemes are generally operated by charitable trusts or Non-Governmental Organizations (NGOs). Community Based Health Insurance Schemes are such as Self-Employed Women's Association (SEWA), Tribuvandas Foundation (TF), The Mullur Milk Co-operative, Sewagram, Action for Community Organization, Rehabilitation and Development (ACCORD), Voluntary Health Services (VHS) etc.<sup>22</sup>

### **Employer Based Insurance Schemes**

Employers in both public and private sector provide employer based health insurance schemes to their own employees. The Railways, Defense and Security forces, Plantation

<sup>21</sup>. Shijith, V. P., & T.V. Sekher. *Who Gets Health Insurance Coverage in India?: New Findings from Nationwide Surveys*. XXVII IUSSP International Population Conference. Busan, Korea, Republic of (26 - 31 August), pp.1-26.

<sup>22</sup>. Anita, J. op. cit. pp. 85.

sector and Mining sector are having their own health services for the employees and their families.<sup>23</sup>

### **Opportunities of Health Insurance**

#### **Major benefits of health insurance policy may be enumerated as under:**

1. Health Insurance Policy assists in securing the future health care through payment of premiums.
2. Health Insurance Policy provides the payment of medical and hospitalization bills during the period of ailments of the insured people.
3. Health Insurance Schemes offer to save a lot of future financial losses due to costly medical treatment and posttreatment expenses of the insured persons.
4. Health Insurance covers health risk against future illness, old age and disability etc. of the insured customers.
5. Health Insurance Schemes also offer rider benefits of the policy which can persuade the customers and assure a sense of security.
6. Health Insurance Policy provides to facilitate the tax benefits of the customers of health insurance as per Indian Income Tax Acts - under section 80D.
7. Health Insurance Policy offers greater financial security to the insured individuals during health care requirements.
8. Health Insurance Schemes also provide cashless facilities in case of medical treatment of insured persons.
9. Health disorders and financial crises may arise together at a time at different circumstances in our life, so health insurance policy covers to provide the proper medical treatment of the insured persons during this period.
10. Health Insurance Sector also provides another important opportunity to the insured persons to avail a better quality medical treatment during the period of illness in spite of commercialization of health services due to globalization.
11. The opportunities of health insurance have become available due to rise of medical cost, specialized treatment has become frequent due to the rise in income pattern of people of the society, and low public expenditure on health and family welfare have also become available.
12. The benefit of health insurance is that the penetration of health insurance increases, out of pocket payments will come down.

### **KEY CHALLENGES AND ISSUES OF HEALTH INSURANCE**

#### **The issues and challenges faced by the customers:**

1. Customers are not willing to purchase the products/policies of health insurance, because there is no maturity benefit of the product of health insurance.
2. Sometimes, there is also no chance to revive of health insurance policy which is another drawback of health insurance.

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<sup>23</sup>. Ibid.

3. There is insufficient and inadequate information about various health insurance schemes. Shortages of data and information are also barriers of health insurance.
4. Most of the existing health insurance policies/schemes are on hospital expenses.
5. Lack of co-operation and co-ordination with providers are the key constraints of customers. Private hospitals and nursing homes are not receptive to the suggestions/recommendations or demands of the insurer, as a result the insured persons suffer a lot.
6. One of the important mechanisms for settlement of claims of insured is Third Party Administrators (TPAs) in case of health insurance sector. The customers are not satisfied up to the mark of the activities of TPAs, such as delay settlement of claims, exclusion of various expenses at the time of treatment of the insured etc.
7. Most of the cases, customers face difficulties due to un settled, partial settled or non-settled of the claims of health insurance, while suffering from ailments or during the period of hospitalisation, they expect to settle the entire expenditure of illness but in fact the terms and conditions of health insurance policy might not be allowed to them.
8. There is non-availability of uniform billing protocol and standardization of tariff.
9. Customers are not satisfied because of lack of product innovation in respect of health insurance in public sector insurance companies in India.
10. All customers are not aware regarding the products/policies, features, benefits, terms and conditions etc. of the health insurance scheme of public sector insurance companies.
11. Income of people is also responsible for purchasing the products/policies of health insurance.
12. Awareness for purchasing the products/policies of health insurance is influenced by educational level of customers.
13. Customers may suffer due to poor services provided by the public sector insurance companies with regard to health insurance schemes.
14. The claim is settled providing minimum coverage in spite of submitting all necessary documents.

**The issues and challenges faced by the agents:**

1. The agents suffer a lot due to lack of awareness of customers, as a result; customers are not motivated to purchase the health insurance policies/products.
2. All customers are not interested to renew the existing policy of health insurance because maturity benefit or return of health insurance is not available.
3. Another important difficulty is the chance of lapse of the policy of health insurance.
4. The policies and products of the health insurance sectors may not be advertised regularly, as a consequence, people might not have any knowledge regarding the benefit of the health insurance policy.
5. Customers are not acquainted about the terms and conditions of the policy/plan of health insurance, on the other hand, they expect all the benefits of health insurance schemes during the period of settlement of the claim of the health insurance policies/plans.
6. Agents face a lot of difficulties while assisting the customers for lodging the claim, because most of the customers might not have any knowledge regarding the process of

lodging claims of health insurance policies which are unsettled, partial settled or not at all settled of public sector insurance companies.

7. Inadequate provision of health care facilities to insured persons like essential packages, reimbursement schemes etc. which has resultant dissatisfaction of customers in respect of purchasing health insurance schemes.
8. The majority of Indian population is unable to access high quality healthcare due to poor source of income. They are also unable to purchase the health insurance policy; as a result there is no smooth penetration of health insurance sector.
9. One of the important difficulties is overcharging by some health care providers from insured persons.
10. Agents suffer due to manipulation of the patient history at the time of purchasing the product of health insurance.
11. The selling of health insurance product is limited to younger age groups that they are not motivated to buy health insurance product.
12. Agents face the problem a lot due to lack of health seeking behavior and cultural beliefs and practices.
13. One of the major difficulties is that the health insurance is not hassle free for settlement of claim.
14. Agents of public sector insurance companies face competition with private sector insurance companies for selling the products of health insurance in India.

#### SUGGESTIONS

**The suggestions have been recommended to strengthen health insurance of public sector insurance companies in India:**

1. Health insurance scheme should be mandatory for all, so that people can able to face and protect the financial crises during the course of ailments.
2. The benefit of health insurance should be extended to the excluded population-poor people also. There is an urgent need to expand the health insurance net in India.
3. There is also need to arrange and organise the regular orientation to the doctors regarding health insurance of public sector insurance companies.
4. Third Party Administrators (TPAs) should increase their network to various hospitals in all areas, which will lead to increased competition and more bargaining power for TPAs.
5. Third Party Administrators (TPAs) should be directed for prompt settlement of claims of the policy holders regarding health insurance.
6. The services of Third Party Administrators (TPAs) should be more simple and hassled free for settlement of claims of health insurance.
7. Third Party Administrators (TPAs) should support the customers for redressing all the difficulties by positive investigation report wherever applicable.
8. Government should recognize health insurance scheme as a separate line of business, so that it covers all people of different categories in India.
9. Government health trusts should provide facilities of health insurance of public-private partnership in a competitive environment.

10. The Government should provide universal access to free / low cost health care insurance which can be an important means of mobilizing resources, providing risk protection and improvement.
11. There should be time limit (minimum time) for providing benefits to the insured people of health insurance scheme.
12. The claims of the health insurance should be settled providing maximum coverage of public sector insurance companies in India.
13. There should be organised meetings from time to time with the various stake holders of health insurance sector.
14. Governments as well as insurers should take necessary initiative to cover all people of the country under the umbrella of health insurance sector which can assist to maintain better health care and lead tension free life.

#### CONCLUSION

The health insurance is a key mechanism which is the only way forward for financing healthcare in India. Fact is that due to rising health care cost, increase in disposable income and high out-of pocket expenditure for funding healthcare, the health insurance scheme is indispensable. The various health insurance schemes are available which should be implemented in proper way, so that the benefits under the schemes are hassle free and people can get the opportunity from these schemes during the period of ailments. So, the Government and all the associated bodies should pay proper attention regularly for providing smooth services by the health insurance schemes in market.

The present study reveals that there are many issues in handling the health insurance because of lack of awareness, lack of underwriting discipline, lack of product innovation, lack of product awareness, increased competition, increased claim cost etc. in India. Despite all these challenges, there are huge opportunities in the way of health insurance sector. Some of the opportunities have become available due to rise of medical cost, specialized treatment has become frequent due to rise in income pattern of people of the society, and low public expenditure on health and family welfare have also become available.

It is also observed that the Central Government and different State Governments have launched from time to time various health insurance schemes in the country/states such as Employees' State Insurance Scheme, Central Government Health Scheme, Universal Health Insurance Scheme, Voluntary Health Insurance: Rajiv Arogyasri Scheme, Kalaingar Health Insurance Scheme, Vajapayee Arogyasri Scheme, The Yeshasvini Scheme in Karnataka, Rashtriya Swasthya Bima Yojana, National Health Policy, Janraksha Insurance Scheme, Aam Admi Bima Yojana, Janashree Bima Yojana, Atal Amrit Abhiyan, Ayushman Bharat, etc.

Therefore, the creation of public awareness in regard to health insurance is very important, the Government and all the associated bodies should provide their best support in spreading health insurance awareness among people of the country, so that people are aware to seek quality healthcare without any financial hardship.

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## Entrepreneurial problems and prospects in South Assam: A study on the aspiring entrepreneurs of Cachar District

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### ABSTRACT

*Entrepreneurship for a country sets the way towards progress in ensuring the optimum allocation of resources. The dual presence of innovative skills and management aptitudes for an entrepreneur classifies him to be a major catalyst of development; either for an individual firm or for the economy as a whole. The research purports to unveil the challenges faced by an entrepreneur in the Cachar District. The emergence of many financial institutions offering finances to potential and small scale entrepreneurs has supposedly allured many upcoming entrepreneurs to materialize their dreams of commercializing their innovations. But the entrepreneurs in the past have faced challenges; if not in a competitive arena in the same extent but definitely in acquisition and allocation of resources. The paper objectifies to reveal evidences on three aspects: role of Government in persuading the entrepreneurs to set up their ventures, role of the family support in the process and role of training centers in imparting the entrepreneurial skills. A purposive sample has been selected of 30 entrepreneurs of the place. The data collected for analysis are in the form of responses by the entrepreneurs. Once the responses were collected, the research used statistical techniques such as chi-square and pie diagrams to analyze the responses. The study claims to be of value in identifying the shift in the paradigm of entrepreneurial activities and listing the potential challenges faced by many entrepreneurs in the recent times.*

**Keywords:** *Entrepreneurship, financial institutions, purposive sample, chi-square, pie diagrams*

## **INTRODUCTION**

The last few decades have seen a large number of new ventures in India (National Knowledge Commission, 2008). The change in business opportunities and the shift in business environment have fuelled the unprecedented growth. However, the growth figures do not tell the complete story. Primary studies conducted on entrepreneur suggest that they had to face many challenges and an unfriendly environment just to keep their ventures afloat. When compared to many situations in many developed and developing countries, the Indian business environment falls well behind on many parameters for supporting entrepreneurship (World Bank & IFC, 2011). India is ranked 132 in the list of ease for doing business. Indian entrepreneurs feel that they are better off starting a business in the developed countries than in India. (Wharton, 2010). The main problems faced by the Indian entrepreneurs include limited access to finance, cumbersome bureaucratic procedures in setting up, operating and sustaining a business and lack of effective institutional procedure (Jahanshahi, A.A, *et al* ; 2011). In a discussion at the 14<sup>th</sup> Wharton India Economic Forum in Philadelphia 2010, entrepreneurs discussed the major obstacles faced by the Indian Entrepreneurs, Distribution, cultural bottlenecks and Government Regulation were pointed out as the major challenges facing Indian entrepreneurs. However, the paradigm is assumed to be changing. The notion of the entrepreneurial activities being preserved only by the mercantile class is gradually giving way to the acceptance of the fact that entrepreneurship is the real engine of development of success for the any society. The study explores this shift in the paradigm emphasizing on the transition that times have presented to us – the shift from a conservative approach to an enlightened approach of recognizing the need of entrepreneurial activities. The study has been conducted covering the entrepreneurial activities across Cachar. The place has been deliberately selected to gauge the entrepreneurial propensity of the people of the place languishing to level up to the other developed places of the country. The outcome of the study is expected to be of value not only in exposing the entrepreneurial opportunities to the budding entrepreneurs but also spotlighting the issues that need to be addressed from the Governmental front.

## **NEED OF THE STUDY**

The country had always been the hub of innovation. The challenges faced by ancient entrepreneurs were tough, although the nature of the challenges might have been different from the challenges that the present entrepreneurs face. But with the passage of time and with the advents and emergence of competition in the mercantile sector, there was reluctance amongst the people of the country to try their hands in something innovative rather they were inclined to engage themselves in rendering their services either at the Government organizations or at a private organization. This led to the dying of the entrepreneurial acumen within the individuals in the country, ultimately leaving lasting and major impressions to some of the States of the country. The stringency and the demand for transparency in trade by the Government (policies such as Licensing) due to the unprecedented increase in the competition were also some of the contributory factors for which the entrepreneurial dreams

of many potential entrepreneurs were compromised. But the importance of entrepreneurship in the progress of the society had always been recognized. In modern times the encouragement for the entrepreneurs should come from researches which outline the importance of the entrepreneurial activities on one hand and pave the way for formalizing the activities of the entrepreneurs by detailing by procedure for starting an enterprise on the other hand. The study is an attempt to bestow the zeal among the emerging entrepreneurs to think of a career outside the box. The trend of accepting the fact that a student is destined to lead a life of a Government servant or the servant of profit-obsessed merchant needs re-examination. The study attempts to broaden the view of the emerging entrepreneurs in projecting an optimistic outlook and foreseeing a lucrative career as an entrepreneur. The study cannot be discounted as of little value to the policy-makers since the facts which are unfolded can be used for the improvisation of the policies governing the rules of initiating an enterprise for the better interest of the nation. The other aspect of the study is the determination of the reach of the Government incentives schemes in alluring the potential entrepreneurs of Cachar to live their dreams. The death and the killing of entrepreneurial skills amongst the people of smaller towns such as Cachar can highly be attributed to the fear of competition with the entrepreneurs of the bigger towns enjoying greater access to the Government facilities; both in terms of awareness and in terms of implementation. The development of the country depends more on the success of such centralized schemes in the smaller towns rather than the economically uplifted ones.

### **REVIEW OF LITERATURE:**

The entrepreneurial function implies the discovery, assessment and exploitation of opportunities; or in other words the new products, services or the production process, new strategies and organizational forms and new markets for products and inputs that did not previously exist. (Shane and Ventaraman, 2000). Entrepreneurs get opportunities because the different agents have differing ideas on the use of resources. The theory of entrepreneurship focuses on the heterogeneity of beliefs regarding the value of resources. (Alvarez and Busenitz, 2001). Therefore, entrepreneurship can be conceptualized as the discovery of opportunities and the subsequent creation of new economic activity often via the creation of new economic organization. Often entrepreneurship is discussed in terms of the behavior of the entrepreneur which is seen as the behavior that manages to combine innovations, risk-taking and pro-activeness (Miller, 1983). In other words it combines the classical theory of Schumpeter of the innovative entrepreneur (1934, 1942), the risk-taking entrepreneur which occupies a position of uncertainty as proposed by Knight (1921) and the entrepreneur with initiative and imagination who creates new opportunities. According to Stevenson and Jarillo (1991), entrepreneurship is a process by which individuals either by their own or within the organization pursue opportunities.

Entrepreneurship is an essential element for the economic progress as it manifests its fundamental importance in different ways. a) by identifying, assessing and exploiting the business opportunities b) by creating new firms or by renewing the existing ones and c) by

driving the economy forward – Through innovation, competence and job creation. The study of entrepreneurship leads us to answer a series of questions: What happens when entrepreneurs act? Why do they act? (Stevenson and Jarillo, 1990) Why, when and how do opportunities for the creation of goods and services come into existence? And finally, why, when and how are different modes of action used to exploit entrepreneurial activities? (Shane and Ventaraman, 2000). According to Fiet (2001), the black box of entrepreneurial activities is yet to be opened.

Although the concept of entrepreneurship is evolving and entrepreneurial activities for a society bring in surprising and pleasant success, the roads traveled by an entrepreneur can never be devoid of thorns. The challenges in the form of imposition from the family and social background to carry the legacy of a job-holder, lack of courage to break the shackles, and lack of empathy from the Government are counted to be few challenges amongst the pool of challenges.

The history of entrepreneurial activities in India could be traced back during the pre-colonial period where the Indian trade and business was at its peak. Indians were experts in smelting of metals such as brass and tin. Kanishka empire in the 1<sup>st</sup> century started nurturing Indian entrepreneurs and traders. Following that period at around 1600 AD India started its trade with the Roman Empire. Then came the Portugese and the English who forced the Indians to become traders and they themselves took the role of entrepreneurs. This was the main reason for the downfall of Indian Business in the colonial times which had its impact on the post-colonial times too. During the Pre-british period India enjoyed a worldwide reputation in the International market for the production of the muslins of Decca, the calicos of Bengal and the saris and other cotton fabrics of the Banaras. The Indian cotton market at the time enjoyed affluence and exported cotton products such as silk fabrics, calicos, artistic wares and the woolen clothes. But the consequence of the British Raj was long lasting and there was socialistic approach followed thereafter for a long time. Therefore entrepreneurship is not something that is new to India. In fact to quote from the Indian Industrial Commission Report (1916 – 1918), “At the time when the West of Europe the birth place of the modern Industrial system was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and the high artistic skills of the craftsmen. And even at a much later period when the merchant adventures from the West made their first appearance in India the industrial development of the country was at any rate not inferior to that of more advanced European nations.” However the post-independence period the police focus on more public investment in heavy industries and setting up of the PSUs did not provide an ideal environment for entrepreneurship. The main problems faced by the entrepreneurs were the lack of mentoring support, technological facilities and the easy availability of the credit. Though different reports at that time highlighted the importance of promoting entrepreneurship as a means of self-employment entrepreneurship actually did not scale up. Entrepreneurship in India was confined to only the own-account workers with one or more helpers and did not expand the

size. According to the fifth economic census 955 of the establishments were not engaging more than 5 workers.

**TABLE 1: Distribution of establishment by size class of employment**

SL No.	Size by class of employment	Items	Year 1990	Year 1998	Year 2005
		Establishments	93.4%	94%	95.1%
1 – 5		Persons usually working	54.5%	58.6%	64.2%
		Establishments	3.5%	3.3%	3.4%.
6 – 9		Persons usually working	8.4%	8.3%	10.2%
		Establishments	3.1%	2.8%	1.5%
Above 10		Persons usually working	37.1%	33.1%	25.5%

Source: Ch 5, fifth Economic census 2005 – All India Report

To promote self employment as a means of job creation and to promote entrepreneurship for further employment the Micro, Medium and small scale industries Act, 2006 was enacted. The comparison of the challenges faced by the entrepreneurs over the time will develop the belief that the Government is up with the speed to recognize the importance of entrepreneurship for a country. But the growth of entrepreneurship in India has not been close to the growth in the Western countries. The reasons behind that are the procedural hassles, stringent labor laws, economic regulations etc that the economic industries had to face. Further with import liberalization and the entry of MNCs in the Indian market the small entrepreneurs are not able to face the competition and are finding it tough to survive. In the context to quote from the Second National Commission of Labor (2002), “New economic changes will provide more opportunities and not enough jobs. Therefore, one has to take the advantage of the opportunities. Both in rural and urban India there may not be rise in the wage employment but there will probably be enough scope for self-employment. The emphasis therefore should not be on the wage jobs but on creating self-employed persons.”

The good news for the upcoming entrepreneurs are in the form of the changes that are taking place in the country. These changes of course provide ample opportunities to the present entrepreneurs:

1. SETU (Self employment and Talent Utilization)
2. Digital India
3. Electronics Development Fund (EDF)
4. India Aspiration Fund (IAF)

All these changes in the policies have been framed to revive the natural entrepreneurial skills amongst the Indians. According to the World Bank ease of doing business 2015, India is placed at 142 out of the 189 economies. But on the start up front India ranks 3<sup>rd</sup> amongst the all economies with 4200 startups in the year.

## **RESEARCH GAP**

The research aims to cater the challenges of the entrepreneurs faced in Cachar. The place selected for the study is characterized by lack of exposures and connectivity to other posh places of the country. Therefore, there are inevitable infrastructural problems persistent with the place. Such a disadvantage obviously adds to the list of disadvantages that the entrepreneurs in common face across the country. The common people opine that it is rather due to the bullying and bossy attitude of the Center that the place remains neglected. Such negligence from the Center increases the procedural hassles for the small businessmen and therefore also the accessibility of the small businessmen to the various government facilities. Therefore, although there have been contributions from researchers over the years regarding the various challenge that the entrepreneurs face, the place offers a new challenge due to the location differences that exist. The present research embraces the location factors that presents unique set of challenges for the entrepreneurs and therefore claims to be unique of its kind. The gap that needs to be bridged between the present and the past researches is also in the front of the entrepreneurial courage that empirically is far lower amongst people for an unexposed place like Cachar. Although, situations are expected to level up with the emergence of the Broad Gauge Railway Lines, the reason for most of the sacrifices of the entrepreneurial dreams happen because of poor communication resulting in less reach to the potential market. The common challenges that entrepreneurs face make the list of challenges bulky for the entrepreneurs of the place. Therefore, the research due to the uniqueness that comes in terms of localized differences call for considerations in cases when policy formulations and amendments are required so that the life of the entrepreneurs become a bit easy for the time.

## **OBJECTIVES OF THE RESEARCH**

The above sections of the researches have accentuated the formation of the objectives which support the past researches and the unique location differences that demands the entrepreneurial skills of the place to be overcoming many challenges. The following objectives are formed with proper investigations of the past researches and confirmatory to the unique challenges that entrepreneurs of the place face:

- a) To study the notion of the potential entrepreneurs regarding the Government facilities and the accessibility of the entrepreneurs to them
- b) To study the family support that a potential entrepreneur receives in the course of their entrepreneurial activities.
- c) To study the role of training centers in the locality in developing the entrepreneurial skills of the potential entrepreneurs.

**HYPOTHESIS:** In the light of achieving the objectives of the research, the research is directed to testify the following hypotheses:

*H01: There is no significant difference in the mindset of the entrepreneurs regarding the entrepreneurial setup due to the availability of the Government facilities*

*H02: There is no significant difference in the attitude of the entrepreneurs due to the support they receive from their family.*

*H03: There is no significant difference in the skill sets of the entrepreneurs post attending the entrepreneurial training from the training centre.*

### **SCOPE OF RESEARCH:**

The study under consideration had objectified the time lining of entrepreneurial activities in the country and the challenges that entrepreneurs had faced over the time. The primary purpose for such an attempt is to decode the changes in the paradigm of challenges that the entrepreneur had been facing in the country. The challenges that modern entrepreneurs face are detailed by collecting and analyzing the responses of the sampled entrepreneurs from Barak Valley. Therefore, the study emphasizes on only the challenges that an entrepreneur face and any other issues associated with the entrepreneurial activities are not included in the purview of the study. The study, in an attempt to meet the objectives had therefore to collect the data from two sources: one being the primary source which constitutes the responses of the entrepreneur and the other being the secondary source which come in the form of the past challenges of the entrepreneurs collected from the reliable and relevant literatures. The primary responses are collected from the entrepreneurs of Barak Valley and the challenges that entrepreneurs of other places face may not reveal a photocopied result as the challenges would be subject to the entrepreneurial culture of the place. . The study was also conducted within the stipulated time period set by the Department of Business Administration, GC College for the completion of the research. The research never intends to distinguish in the type of enterprise as it attempts to cater the common challenges that all the entrepreneurs of the town face in their entrepreneurial endeavors irrespective of the type of startups.

### **LIMITATION:**

The research has some general limitations and other limitations which are specific to the research. The following points discuss some of the basic limitations which the research suffers:

- a) The research suffers from the basic limitation of time, space and the personal bias of the researcher. The study may not be considered as a theory that would hold true beyond time. With the changes in the external environment the identified challenges of the entrepreneur are also subject to changes. As the study was conducted in Cachar District, therefore a generalization cannot be made and the results are less probable to hold true outside the town. The researcher has made sufficient attempt to avoid personal biases to creep in the research, but

the extent to which such attempts are successful is something to be questioned. With the presence of some pre-conceived notions of the researcher regarding the topic, it would not be wise to guarantee the absence of personal biases in the research.

- b) The research realizes that studying the population of the entrepreneurs in the district is tough and may not be feasible too as it is almost impossible to identify the small entrepreneurs across the town. As a result the researcher had to resort to sampling. A sample of entrepreneurs was selected from the hypothetical population of entrepreneurs and was studied. So the research is also subject to the limitations of sample survey and the sampling technique that is used for the collection of the sample. At the same time although the researcher has tried to create a friendly and congenial environment for the entrepreneurs to respond, still there may be the presence of response bias.\

### **RESEARCH METHODOLOGY**

The objectives and the research problem at hand suggest that the research would be of descriptive type. The study is limited to the Cachar District and it only considers the challenges that the entrepreneurs of the place. Therefore, entrepreneurs of other places do not form a part of the sampling frame. A purposive sample has been selected of 30 entrepreneurs of the place. The data collected for analysis are in the form of responses by the entrepreneurs to the questions asked in the interview with the help of a structured schedule. Once the schedule was prepared the researcher personally visited the units selected in the sample and organized a structured interview. With the help of such interview responses were collected corresponding to each questions included in the schedule. Once the responses were collected, the research used statistical techniques such as chi-square and pie diagrams to analyze the responses.

**DATA ANALYSIS:** The responses related to the enquiry pertaining to the attainment of the objectives and testifying the hypotheses have been tabulated and presented as follows:

**Table 2: showing the number of respondents who have availed financial assistance for their entrepreneurial venture.**

Responses	No. of Respondents
Yes	30
No	0

**Table 2(a): showing the level of agreement to the fact that the Government facilities promoting the entrepreneurial activities are too complex to avail.**

Responses	No. of Respondents
Strongly Disagree	0
Disagree	0
Neutral	3
Agree	6
Strongly Agree	21
Total	30

The research contemplates on using the chi-square test to identify the impact of Governmental assistance in the mindset of the entrepreneurs. It is quite obvious (as represented in **Table 2**) that Governmental assistance is availed by all the entrepreneurs selected in the sample to start their ventures. The nature of the assistance is also important to gauge the influence of the assistance in the mindset of the entrepreneurs. **Table 2(a)** identifies the complexities in availing the Governmental assistance. The table is used to find out the expected frequencies (to derive the value of chi-square), and represented in the following table:

**Table 2(b): representing the observed and expected frequencies constructed based on Table 2(a)**

Responses	No. of Respondents (Observed)	Expected
Strongly Disagree	0	6
Disagree	0	6
Neutral	3	6
Agree	6	6
Strongly Agree	21	6
Total	30	30

The value of chi-square calculated from the above table is 39. The tabulated value of chi-square at 5% level of significance and 4 degrees of freedom is 9.488

**Table 3: showing the responses on whether the entrepreneur receives the support from the family to carry on with their entrepreneurial activities.**

Responses	No. of Respondents
Yes	30
No	0

**Table 3(a): showing the responses on whether the income earned by the entrepreneurial activities can fulfill the financial needs of the people.**

Responses	No. of Respondents
Yes	10
No	20

**Table 3(a)** identifies the potential of the incomes generated from the entrepreneurial activities in fulfilling the financial needs of the family. The research realizes the fact that the family support and encouragement hinges on the potential of the entrepreneurial ventures to satisfy the financial needs. Although from **Table 3** it is observed that all the entrepreneurs get the support from the family to start up their business, the financial potential of the venture will have a bearing on the persistence of the support. The table **Table 3(a)** is used to find out the expected frequencies (to derive the value of chi-square), and represented in the following table:

**Table 3(b) representing the observed and expected frequencies constructed based on Table 3(a)**

Responses	No. of Respondents (Observed)	Expected
Yes	10	15
No	20	15

The calculated value of chi-square is 3.333. The tabulated value of chi-square at 5% level of significance and 4 degrees of freedom is 3.841.

**Table 4: representing the responses on whether the entrepreneurs have attended the any training programs on entrepreneurship.**

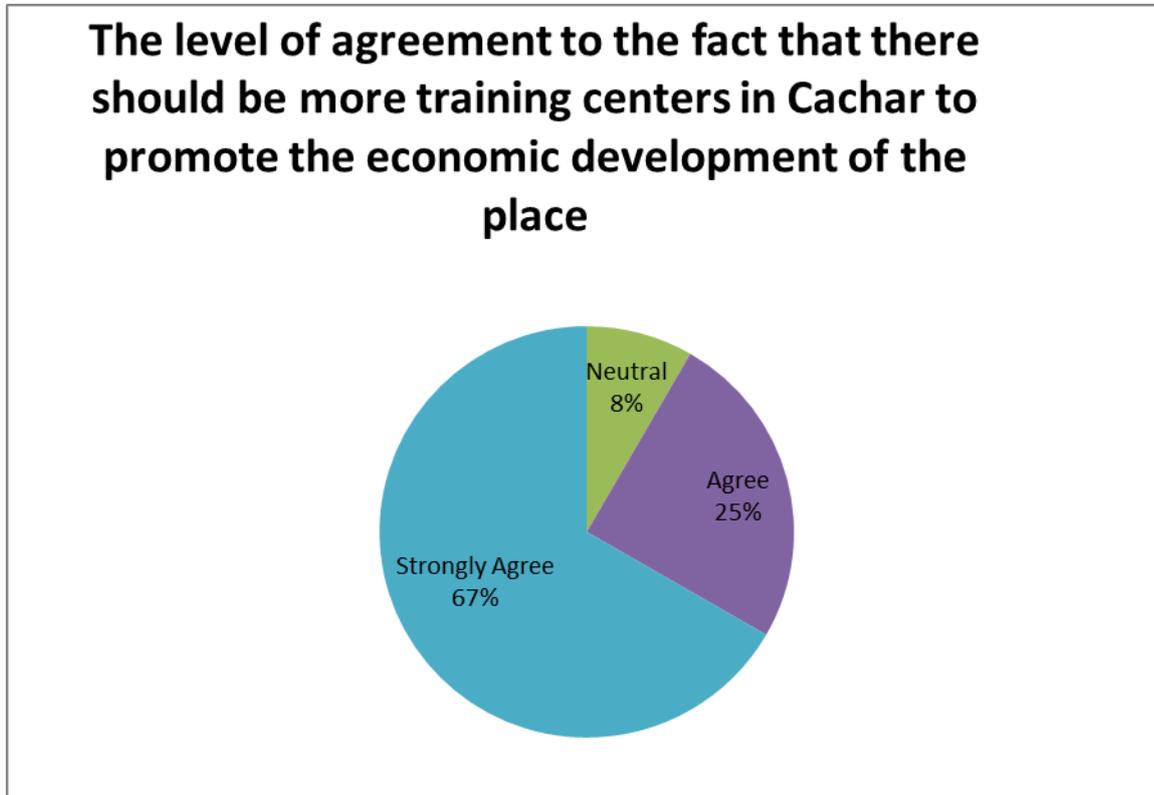
Responses	No. of Respondents
Yes	30
No	0

**Table 4(a): showing the level of agreement to the fact that there should be more training centers in Cachar to promote the economic development of the place.**

Responses	No. of Respondents
Strongly Disagree	0
Disagree	0
Neutral	2
Agree	8
Strongly Agree	20
Total	30

The research selected only those respondents who have been successful in establishing their entrepreneurial ventures. From **Table 4** it is observed that all the respondents selected in the sample have undergone formal training prior to their entrepreneurial setup. The **Table 4(a)** caters to the opinion of the entrepreneurs regarding the increase in the number of training centers in Cachar to promote the economic development in Cachar District. The table is then graphically represented in the following diagram

**Fig 1: showing the level of agreement to the fact that there should be more training centers in Cachar to promote the economic development of the place.**



**FINDINGS**

The analysis of **Table 2** renders the rejection of H01 as formulated. At a place like Cachar and the interior part of it, there is less likelihood of people having financial capability to commercialize their idea. The responses also suggested that there is lack of financial capability in many cases and therefore hesitation and apprehension among the people of the place to startup. Financial constraints for the entrepreneur play as pulling factors in actually realizing the dreams for the entrepreneur. Apart from the fact that there are less promotional schemes undertaken by the local authorities to makes the Government facilities available for the entrepreneur, there are also issues of slow and reluctant processing by the service holder in providing the Government facilities to the entrepreneurs. This has this resulted in surrendering of the dreams by many entrepreneurs of the locality to venture their product. There have also been opinions directed towards unearthing the money-extracting motive of the service providers where the respondents view that service providers in some cases demand bribes to process the availing of the facilities by the entrepreneurs.

The analysis of **Table 3** renders the acceptance of H02. As derived from literatures that have been explored, lack of support in entrepreneurial activities is a major reason for the

entrepreneurs not living and carrying their dreams of venturing their entrepreneurial activities. But in case of the people in Cachar, the income that a poor person receives for the entrepreneurial activities may be the only source of earning. As a result, the poor people may also not have any other option. Therefore, the entrepreneurial activities are chosen more out of compulsion than out of passion.

The analysis of **Table 4** renders the fact that training centers play a significant role in enhancing the skills of the entrepreneurs in Cachar District. The people who constituted the sample have all attended the training center of UBI, titled as RSETI for the development of their entrepreneurial skills. Therefore, we can say that the entrepreneurs before initiating their entrepreneurial venture feel the need of formal training. The UBI training Center has been playing a major role in ensuring that the entrepreneurs have a minimum knowledge of business when they look to commercialize their dreams. In fact, in further investigating the facts it was also discovered that the entrepreneurs have also undergone a financial lift after the attendance of the training and spread word-of-mouth communication to the other budding entrepreneurs to attend the training provided by the RSETI. The entrepreneurs set the tone for development and considered as engines that can progress the society in the right track. Therefore, entrepreneurial activities are always welcomed for the society. In the context of the present condition, the entrepreneurial challenges of the society have undergone paradigm shift. Therefore, there need to be more and more entrepreneurial training centers which come up with the objective of meeting the noble need of the society to develop economically.

## **DISCUSSIONS AND CONCLUSION**

The topic undergoing a thorough investigation had revealed many interesting facts. The findings correspond to the objectives of the research and are discussed in the following points:

- a) The major constraint in most of the entrepreneurial activities is the lack of the availability of the funds. Therefore, the entrepreneurs of the place could not venture out and stay in a shell with the fear and hesitation failure. The investment of funds would demand the entrepreneurs to pull out a chunk of money which requires a lot of savings or it requires the entrepreneurs to be engaged in such activities at the initial point which could generate money. Since the entrepreneurs do not have the capability to gather an income generating activity for himself and at the same time do not possess ancestral money to be invested in huge amount, therefore, the lack of affluence is a major hurdle in the process of venturing their entrepreneurial activity
- b) The opinion of the entrepreneurs also suggest that the complication and the hassles involved in availing the Government benefits to the people of the place also act as a significant hurdle in the path of venturing the entrepreneurial activities. There should be the presence of training centers as opined by the entrepreneurs of the place that can conduct training on the ways to avail funds for the entrepreneurs. There is also a feeling of being neglected amongst the people of the place that can raise the sense of apathy towards commercializing and materializing their entrepreneurial dreams.

- c) The lack of business-know-how amongst the people of the place makes it difficult to vent their entrepreneurial dreams and therefore, they end up having very minimal income with them to sustain a good standard of living.

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# A Comparative study of Conventional/Distance learning mode of education in respect of examination system from learner's prospective

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## Abstract:

*Distance education is that field of educational endeavor in which the learner is quasi-permanently separated from the teacher throughout the length of the learning process: a technological medium replaces the inter-personal communication of conventional oral, group-based education, the teaching / learning process institutionalized (thus distinguishing it from the teach-yourself programmes); two-way communication is possible for both student and teacher (thus distinguishing it from other forms of educational technology) .It represents an industrialization of the educational process (Kengan 1983). In Assam, with a motive to increase the rate of literacy and make education reachable to the nook and corner of the state, Indira Gandhi National Open University (IGNOU) has introduced its regional centre in Guwahati in the year of 1996, IDOL in 1998 and KKHSOU in 2005.*

**Keywords:** *Distance Education, comparative view, examination system.*

## 1.Introduction:

Distance education, simply and broadly defined, is the system of education in which education is imparted to students from a distance. It contains two basic elements: (a) the physical separation of teacher and learner; and (b) the changed role of the teacher, who may meet the students only for selected tasks such as counseling, giving tutorials or solving students' problems. The system is heavily dependent today upon the printed material or instructional material, supplemented partly by the electronic media, radio, television, and computer, in addition to limited face-to-face contact sessions (Manjulika, S.V & V. Reddy).

The important characteristic of distance education is its industrialization of the teaching process. Distance teaching/education is a method of imparting knowledge, skills and attitude

which are rationalized by the application of division of labour and organizational principles as well as by the extensive use of technical media, especially for the purpose of reproducing high quality teaching material which makes it possible to instruct great numbers of students at the same time wherever they live. It is an industrialized form of teaching and learning. (Peters, 1973)

Distance education is that field of educational endeavor in which the learner is quasi-permanently separated from the teacher throughout the length of the learning process: a technological medium replaces the inter-personal communication of conventional oral, group-based education, the teaching / learning process institutionalized (thus distinguishing it from the teach-yourself programmes); two-way communication is possible for both student and teacher (thus distinguishing it from other forms of educational technology). It represents an industrialization of the educational process (Kengan 1983).

In Assam, with a motive to increase the rate of literacy and make education reachable to the nook and corner of the state, Indira Gandhi National Open University (IGNOU) has introduced its regional centre in Guwahati in the year of 1996 with a total of six study centres and 35 programmes with approximately 1100 learners. As on date regional centre Guwahati has 30 learners support centre 588 academic counselor and 68 academic programmes for offering different degrees.

The Institute of Distance and Open Learning (IDOL) formerly known as Post Graduate Correspondence School (PGCS) under Gauhati University was established in May 1998 with the objective to ensure the opportunity to pursue quality higher education to the large number of students who could not pursue higher education through conventional mode of education. IDOL strives to accommodate the students who cannot enroll in the conventional system of higher education due to various factors like limited number of seats in Post Graduate classes, livelihood compulsion etc. and aims to impart quality education in an intellectually challenging learning environment. Moreover the Directorate of Distance Education, Dibrugarh University also provides distance education in the state of Assam. Krishna Kanta Handiqui State Open University is the first Open University in North East India as such; it has a huge social responsibility for the people inhabiting this region. Krishna Kanta Handiqui State Open University (KKHSOU) has been looked upon as the torch bearer of open and distance education in the North Eastern Region in general and Assam in particular. In recent years, the technology which means “application of knowledge to the practical aims of human life has been used in particularly every field of study. However for a variety of reasons, the field of education has been reluctant to make use of it. Nevertheless it has greatly changed the educational scenario in the distance courses by its enriched teaching in substantial measure (Sarma, R. A. page 75).

## **2.Objective of study:**

To study the comparative view in Conventional/Distance mode of education system from learner's point of view in respect of examination system.

## **3. Hypothesis:**

There is no significant difference between Conventional/ODL mode of education system in comparative view in respect of examination system.

## **4.Methods of study:**

In this study the primary as well as secondary data are used. The primary data are collected by administering questionnaires from the learners of the distance and conventional study centres/colleges. Apart from these, secondary data are collected to supplement the study from various publishing sources relating to the concern subjects. On the basis of non-probability sampling out of the total learners of conventional and distance mode, 400 students from conventional mode (from GU 150, DU 150 and AU 100) and 400 from distance mode (from KKHSOU) are taken as sample to analysis the data.

The interview schedule are used for Learners \Students of Conventional \ ODL mode are prepared with questions items throwing light on various aspects of examination system of the Conventional/ODL. Data so collected are classified and tabulated on the basis of respondents of conventional as well as distance mode using five point likert scale as excellent, very good, good, average and unsatisfactory with the grading point as 5,4,3,2,1 respectively. Data so classified and tabulated are interpreted by application of certain statistical techniques like t-test, descriptive statistics.

1 (f) Comparative view in respect of Examination system  
Table : 4.11 - Data representing the percentage of the response of the learners in comparative view of the Conventional / ODL mode of education system in respect of examination system

Comparative view in respect of examination system	Conventional						ODL													
	Excellent		Very Good		Good		Average		Unsatisfactory		Excellent		Very Good		Good		Average		Unsatisfactory	
	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%	No.of respondents	%
Timely holding of examination	45	11.25	155	38.75	140	35	35	8.75	25	6.25	35	8.75	135	33.75	129	32.25	30	7.5	71	17.75
Timely declaration of results	10	2.5	175	43.75	165	41.25	40	10	10	2.5	8	2	160	40	150	37.5	55	13.75	27	6.75
Transparent examination system	45	11.25	160	40	155	38.75	35	8.75	5	1.25	35	8.75	150	37.5	145	36.25	30	7.5	40	10

\*\* Source : field study

**4.1 Analysis of Data:**

To study the comparative view in Conventional/ODL system of education from learner’s point of view in respect of examination system the investigator has analyzed the following parameters.

**4.1.1 Timely holding of examination**

It has been observed that, 11.3% respondents of conventional study reported as excellent, 38.75% as very good, 35% as good, 8.75% as average, 6.25% are unsatisfactory in timely holding of examination while in case of ODL system of education 8.75% as excellent, 33.75% as very good, 32.25% as good, 7.5% as average and 17.75 % as unsatisfactory as reported by respondents. From the analysis, it can be concluded that the conventional education system shows better performance than open and distance mode of education.

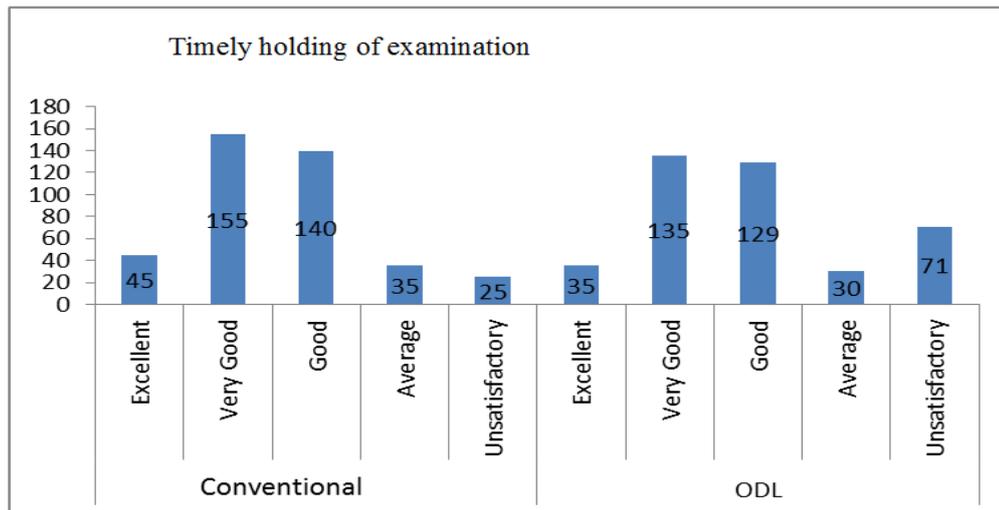


Figure 4.44: Graphical representation of timely holding of examination in case of Conventional/ODL mode of education system.

**4.1.2 Timely declaration of results**

In case of timely declaration of results, it has been found that 2.5% respondents of conventional study reported as excellent, 43.75% as very good, 41.3% as good, 10% as average, 2.5% are unsatisfactory while in ODL system of education 2% as excellent, 40% as very good, 37.5% as good, 13.75% as average and 6.75 % as unsatisfactory as reported by respondents. As a result it implies that the conventional education system shows better performance than open and distance mode of education.

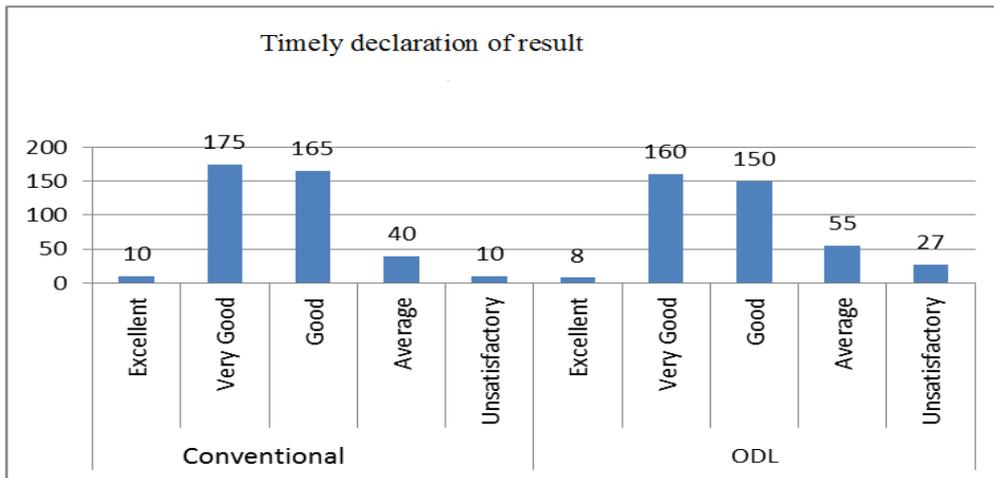


Figure 4.45: Graphical representation of timely declaration of result of examination in case of Conventional/ODL mode of education system.

#### 4.1.3 Transparency of Examination system

It has been found that 11.3% respondents of conventional study reported as excellent, 40% as very good, 38.8% as good, 8.75% as average, 1.25% are unsatisfactory in transparency of examination system while in case of ODL system of education 8.75% as excellent, 37.5% as very good, 36.25% as good, 7.5% as average and 10 % as unsatisfactory as reported by respondents. Hence it implies that the conventional education system shows better performance than open and distance mode of education.

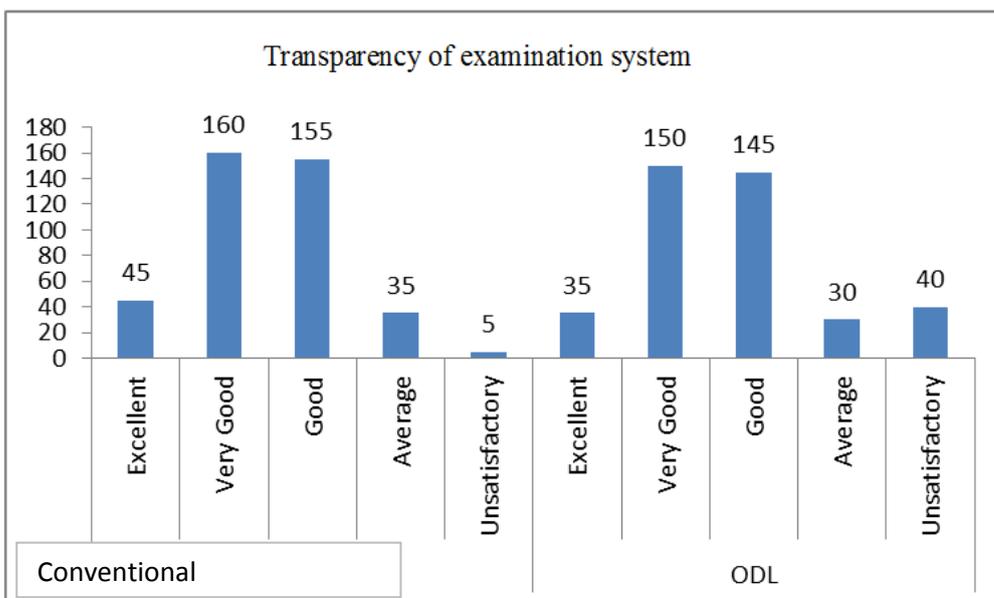


Figure 4.46: Graphical representation of transparency of examination system in case of Conventional/ODL mode of education system.

#### 4.1.4 Test of hypothesis

There is no significant difference between Conventional/ODL mode of education system in comparative view in respect of examination system.

T-Test:

Table 1: t-value for comparative view in Conventional/ODL mode of education in respect to examination system from learner's point of view

Course	N	Mean	Sd. deviation	T	df	Sig.
CONVENTIONAL	400	10.15	1.456	5.848	798	.000**
ODL	400	9.53	1.577			

\*\*Significant level is at  $P < 0.01$

The graphical representation of the mean value of T-test for the comparative view in Conventional/ODL system of education from learner's point of view in respect of examination system is as given below:

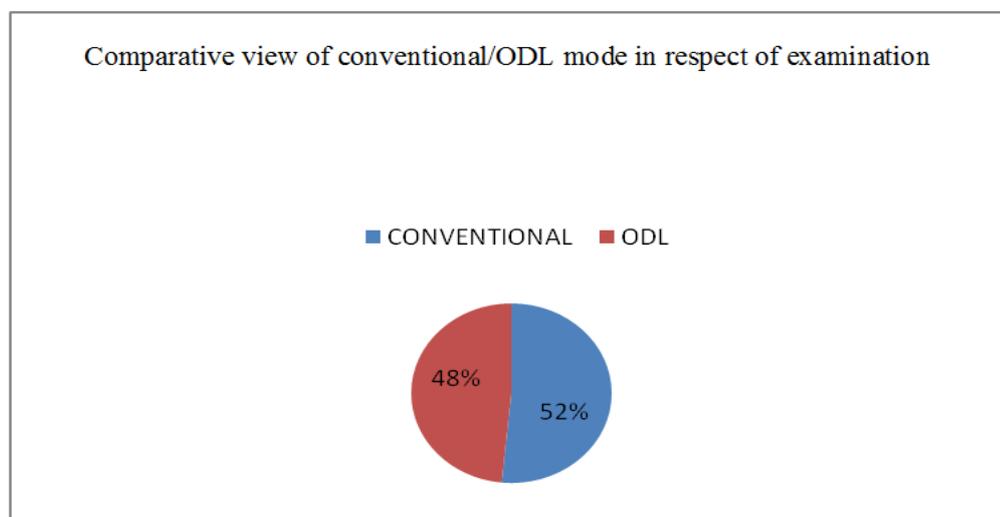


Figure 4.47: Graphical representation of the mean value of T-test for the comparative view in Conventional/ODL system of education in respect of examination system.

#### 4.1.5 Observation:

From the above table it has been observed that in comparative view in respect of examination system in Conventional/ ODL mode of education system, the mean scores 10.15 and 9.53, SD are 1.456 and 1.577 respectively. The t-value is 5.848,  $df=798$  and  $P=0.000$  is highly significant at 0.01 level. Hence it can be concluded that the difference is highly significant and the comparative view in respect of examination in conventional course shows better performance than the ODL system. Thus the hypothesis can be rejected.

#### 4.1.6 Conclusion:

It has been concluded from the above observation that the comparative view in respect of examination system in Conventional/ ODL mode of education the conventional course shows better performance than the ODL system.

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