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Message From Executive Editor

It is with immense pleasure and anticipation that we unveil the successive issue of the "**Shodh Samarth-Research Journal of Commerce, Management & Economics.**" As the Executive Editor and Dean of Commerce & Management, I am thrilled to welcome you to this scholarly endeavour.

Our primary objective in launching this journal is to create a platform that fosters rigorous research, critical thinking, and innovative ideas in the realms of commerce, management, and economics. The fields of commerce and management are evolving rapidly, and the economic landscape is continually shaped by dynamic forces. In pursuing knowledge, it is crucial to have a dedicated space that not only captures these changes but also contributes to advancing our understanding.

The Shodh Samarth Research Journal aims to be that space—a conduit for intellectual exchange and the dissemination of cutting-edge research. Through the collective efforts of our esteemed contributors and the unwavering support of our editorial team, we aspire to make a meaningful impact on the discourse surrounding commerce, management, and economics.

As we embark on this exciting journey, we extend our heartfelt gratitude to the scholars, researchers, and mentors who have contributed to the establishment of this journal. Your expertise and commitment to advancing knowledge have laid the foundation for a scholarly platform that we hope will become a beacon of excellence.

To our readers, we invite you to explore the diverse and thought-provoking articles within these pages. We hope the research presented here will inspire, challenge, and contribute to your own intellectual pursuits.

Wishing everyone involved in this venture success and fulfilment in their scholarly endeavours. May the *Shodh Samarth-Research Journal of Commerce, Management & Economics* become a catalyst for meaningful dialogue and transformative ideas.

(Executive Editor)

Prof. Kanchan Lata Sinha
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Message From Editor-in-Chief

Shodh Samarth – Research Journal of Commerce, Management & Economics, is an online journal published by Pt. L.M.S. Campus, Rishikesh, Sri Dev Suman Uttarakhand Vishwavidyalaya, Badshahithaul. It is a bi-lingual journal and will be published twice a year viz, two issues per year. The journal invites manuscripts, papers and articles from areas of Economics, Business Studies, Commerce, Labour studies, environmental issues, Human Resource Management, and many other aspects of importance for the scholars and academicians. The journal will enhance multi-disciplinary researches. The aim of the journal is to bring a common platform for researches from Academicians and research scholars from across India. The research manuscripts, papers and articles will be reviewed and edited as per the UGC norms and the authenticity and originality will be checked. The journal has got ISSN: 3048-6505 (Online) and soon it will have indexing in Google Scholar, Academia.edu, Semantic Scholar, The Directory of Open Access Journal (DOAJ), etc. DOI will also be assigned to the published articles to improve the citation of the published manuscripts, papers and articles.

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Shodh Samarth-
Research Journal of Commerce, Management & Economics

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THE MAHARASHTRA MODEL: HARNESSING TOURISM FOR SUSTAINABLE ECONOMIC DEVELOPMENT

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Abstract

It has been observed that Maharashtra has a bright prospect in tourism sector. Handicrafts, local music and dance reflect the cultural distinctiveness of the state. The state has a modern lifestyle, tourist attractions, and rich cultural heritage. There are lakes, open skies, mountains, and wildlife. West coast. Deccan Plateau, and Western Ghats are the three crucial biogeographic zones. Flora in state is heterogeneous. It has museums, trekking sites, dams, forts, forests, beaches, hills stations that attract tourists from all over the globe. Cuisine in the state varies with regions. Still there are many challenges before the tourism industry of the state. Therefore, the government should implement proper policies for tourism industry in the state. The researchers have relied upon secondary data to test this hypothesis. Statistical tests like regression and ANOVA have been used for data analysis. This paper discusses the status, prospects and challenges of tourism industry in Maharashtra. The researchers have concluded that the tourism sector has a significant contribution towards economic development of the state.

Keywords: Hills station, Forts, Revenue, Tourism, and Tourist Places

Introduction

Tourism industry is related to global economy which has multiple stakeholders. Political, social, economic, and environmental gains are important part of the industry. Tourism is an act of traveling within the own country or international destinations (Tone, 2021). Tourism has many dimensions like niche tourism, sustainable tourism,

ecotourism, heritage tourism, agricultural tourism, and religious tourism (Survase, 2019). Tourism increases social bond among the peoples. Exchange of knowledge and information increases new understanding. Local people often gain new sewage systems, bus services, new roads, new playgrounds etc. as a result of tourism (Wanole et. al., 2020).

Niche tourism focuses on a specific concept or topic, such as sports, wildlife, war, food, etc. Wildlife safaris in Africa is the example of such tourism. Sustainable tourism is associated with environment. It maintains ecological environment and biodiversity with the cultural dignity of the people (Lokhande et. al., 2022). It lays a vital role in the economic development of any place. It increases the work opportunity for the local communities. It helps in increasing the educational values among the peoples (Ghogare, 2017). It increases community spirit due to increasing disposable income and empowers women and local traders. It is considered as a key driver for recovery of any economy. It also helps nature by conservation of places (Salunkhe and Patil, 2022).

Ecotourism educates people for conservation of nature. It directly benefits local communities. Medical tourism is associated with medical facilities and its expenditure incurred. People move to places where medial cost is affordable to them. Experiential tourism is connected with the culture, people, food, and history of any place. Religious tourism is associated with the faith and belief (Joshi, 2014). It increases the scope of escapism. Expenditure on tourism sector development generates income for the government. It increases the foreign exchange earnings of governments (Gadakh et. al., 2015). Direct income is generated by imposing taxes on the incomes from tourism employment and tourism businesses. It is generated by supplying goods and services to the tourists which are not directly related to the tourism sector (Pisolkar and Chaudhary, 2018).

Objectives

The objectives of the paper are:

- To study the trend of tourism industry in Maharashtra.
- To examine the impact of corona pandemic on tourist arrivals in Maharashtra.
- To examine the impact of tourism on the GDP growth of the state.

Hypothesis

On the basis of the objectives of the paper, the researchers have formulated the following hypotheses-

H₀₁: There are no impact of corona pandemic on tourism industry in Maharashtra.

H_{1a}: There are impact of corona pandemic on the tourism industry in Maharashtra.

H₀₂: There are no relationship between tourist arrivals and Gross domestic product of Maharashtra, and

H_{1b}: There are relationship between tourist arrivals and Gross domestic product of Maharashtra.

Research Methodology

- **Design and Approach:** The paper is based on secondary data. The information for this paper has been collected from Tourism department of Maharashtra, and Statistical Handbook, Maharashtra. Information from journals and reports are also incorporated in the present study.
- **Method of Analysis:** To reveal the status of tourism industry of Maharashtra in general and the sustainable tourism perspectives in particular, different methods of quantitative and qualitative analyses comprising of tabulation, co-relation analysis, and text analysis have been performed.
- **Study Area:** Maharashtra is a state in the western region of India having bordered by the Arabian Sea, and Indian states like Madhya Pradesh, Karnataka, Goa, Gujarat Telangana, and Chhattisgarh, and Indian union territory of Dadra and Nagar Haveli and Daman and Diu. It has been divided into six divisions and 36 districts. It is well-known as an industrialised state of India. It has a total area of 307,713 km².

Literature Review

Nallathiga (2006) in his report discussed the potentiality of tourism industry in Mumbai. He also examined the relation between entertainment and tourism. He found that integrating the entertainment, tourism and heritage & culture are vital for the growth of tourism industry in Mumbai. Khulge (2018) in his report discussed the potentiality and scope of adventure tourism in Maharashtra. It has been found that there is good opportunity of adventure tourism in the state and government should implement proper policies for expansion of the industries. Wanole et. al. (2020) in their paper

discussed the agricultural activities for expansion of agro-tourism in Maharashtra. It will increase income source to the farmers and also the employment opportunities. Vernekar and Shukla (2021) in their report discussed promotional activities of tourism in Maharashtra and its impact of tourist arrivals in the state. Tourist's attractions in the state are increasing continuously.

Bhaskar and Shrivastava (2022) in their paper argued the status of tourism industry in Maharashtra. The marketing and development of the tourism sector depends on multiple factors. Cultural activities, historical sites, and natural beauty are vital for success of the tourism sector. Nandre and Padhi (2022) in their report found that tourism motives and tourist customer satisfaction are vital for growth of tourism industry in any region. Customer satisfaction has positive effects on the tourism motives. According Sarode (2023), there is extensive relationship exists between environmentally friendly travel locations and social media. Tourism in Mumbai are affected by environmental, cultural, and socio-economic factors. Athnikar and Joshi (2023) in their paper found that high operational expenses, high levels of competition, skilled labour shortage, and regulatory issue are the basic challenges before the tourism industry in Mumbai. Therefore, from the above reviews it reveals that majority of the papers focused the challenges and opportunities of the tourism sector in Maharashtra, and very few articles discussed about the economic perspectives of the tourism industry.

Data Analysis and Findings

Maharashtra is a popular state among the national and international tourists. The state is blessed with natural landscapes. There are plenty of places to be explored in the state. It consists of lakes, open skies, mountains, and wildlife. The Western Ghats, The Victorian Gothic and Art Deco Ensembles of Mumbai, Chhatrapati Shivaji Terminus, Elephanta Caves, Ajanta Caves, and Ellora Caves are listed in UNESCO World Heritage Sites. West coast, Deccan Plateau, and Western Ghats are the most crucial biogeographic zones in the state (Narkhede and Darade, 2018).

Mumbai, Pune, Nagpur, Aurangabad, Nashik, and Amravati are its popular cities. Mumbai is the capital city of the state. It is well-known for the film industry. Gateway of India, Chhatrapati Shivaji Terminus, Sri Siddhivinayak Temple, Elephanta Caves, Juhu Beach, Marine Drive, Sri Babulnath Temple, Bandra - Worli Sea Link, Prince of Wales Museum, Haji Ali Dargah, Harihareshwar, Kanheri Caves, and Mount Mary Church are popular places of the city. Pune is called "Queen of the Deccan." Aga

Khan Palace, Sinhagad Fort, Raja Dinkar Kelkar Museum, Saras Baug, Lal Mahal, Osho Ashram, Pataleshwar Cave Temple, and Karla Caves are the main attractions in Pune (Kulkarni and Jalilvand, 2017).

Nagpur is the winter capital of Maharashtra. Sitabardi Fort, Seminary Hills, Krazy Castle Aqua Park, Khindsi Lake, and Deekshabhoomi are the popular places in Nagpur. Aurangabad known as a hub of cotton textile and artistic silk fabrics also have the tourist attractions like Bibi Ka Maqbara, Grishneshwar Jyotirlinga Temple, Ellora Caves, Aurangabad Caves, Bhadra Maruti, Jayakwadi Dam, Pithalkhora Caves, Chatrapati Shivaji Museum, Ganesh Temple, and Siddharth Garden. Nashik is situated in the northern part of Maharashtra. Sula Vineyards, Saptashringi Devi Temple, Kalaram Temple, Muktidham Temple, Sita Gumpha, Deolali Camp, Jain Mandir Nashik, Anjneri Hill, Vallonne Vineyards, and Pandav Leni are the major tourist attractions of Nashik (Kamble and Sawant, 2020).

Table 1: Year-wise Tourist Arrivals in Maharashtra

Year	Tourist		% Share		Rank	
	Domestic	Foreign	DTV	FTV	DTV	FTV
2008	20553360	2056913	3.7	14.6	6	2
2010	48465492	5083126	6.5	28.5	4	1
2011	55333467	4815421	6.5	24.7	5	1
2012	66330229	5120287	6.4	24.7	5	1
2013	82700556	4156343	7.2	20.8	5	1
2014	94127124	4389098	7.3	19.5	4	2
2015	103403934	4408916	7.2	18.9	5	2
2016	116515800	4670048	7.2	18.9	6	2
2017	119191539	5078514	7.2	18.9	5	1
2018	119191539	5078514	6.4	17.6	5	2
2019	149294703	5528704	6.5	17.6	5	2
2020	39234591	1262409	6.4	17.6	6	1
2021	43569238	185643	6.4	17.6	5	2

Source: Indian Tourism Statics, 2008-2021.

Table-1 discusses the year-wise arrival of tourists in Maharashtra. It has been observed that the number of tourist visits had been on rise since 2008 but declined after 2019 due to the corona pandemic. The number of domestic tourist arrival was more than 14.2 crores in 2019, which dropped to only 3.9 crores in 2020. On the other hand, foreign tourist arrivals were 55.2 lakhs in 2019, and it was just 12.6 thousand in 2020. Lockdowns, and travelling restriction, due to the corona pandemic were the main factors behind this sudden drop of the tourist arrivals. Therefore, the null hypothesis-1

is not accepted, it means there is impact of corona pandemic on tourist arrivals in Maharashtra.

The rugged mountains and lush green valleys are a special attraction of the state. There are numerous forts, lakes, temples, caves, and dams. Pavana Lake, Lonar crater lake, Venna Lake, Upvan Lake, Rankala Lake, Charlotte Lake, Powai Lake, Ramkund, Lonavala Lake, Khindsi Lake, Tungarli Lake, and Kala Talao Lake are popular among the tourists. The prominent rivers are Godavari River, Krishna River, Tapi River, Wardha River, Purna River, Narmada, and Tungaverda River. The state has also beautiful mountains, such as Western Ghats, Table Land, Kharghar Hills, Anjneri Hill, Kalsubai Peak, Brahmagiri Hill, Vetral Hill, Naneghat Hills, Connaught Peak, Dighi Hills, Baner Hill, and Savitri Point (Harkar and Dhattrak, 2021).

It's beautiful hills stations like Amboli, Bhandardara, Lonavala, Matheran, Igatpuri, Mahabaleshwar, Khandala, Panchgani, Jawhar, Koroli, Sawantwadi, Malshej Ghat, Rajmachi, Karjat, Toranmal, Chikhaldara, Panhala, Durshet, Lavasa, Bhimashankar, Tamhini Ghat, Satara, and Wai are the popular attract the tourists from home and abroad. Some prominent caves of the state are Ajanta Caves, Ellora Caves, Elephanta Caves, Karla Caves, Bhaja Caves, Bedse Caves, Lenyadri Caves, Pandavleni Caves, Pataleshwar Caves, and Bahrot caves (Havale et. al., 2012).

Table 2: Selected Monuments visited by Tourists in Aurangabad

Monuments	2020-21		2021-22		% Growth	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
Ellora Caves	159	163313	911	411915	473.0	152.2
Ajanta Caves	82	47554	662	138503	707.3	191.3
Daulatabad Fort	49	105434	264	204834	438.8	94.3
Tomb of Rabia Duran	100	203791	536	397374	436.0	95.0
Aurangabad Caves	19	34976	79	68642	315.8	96.3
Pandulena Caves	0	29	221	72661	-	250455.2
TOTAL	409	555097	2673	1293929	553.5	133.1

Source: Indian Tourism Statics. 2022, pp.148-149.

The above table depicts the popular places for tourists in Aurangabad. The number of domestic and foreign tourists that visited the selected monuments in 2020-21 were 555097 and 409 respectively, which were 12,93,929, and 2,673 in 2021-22 respectively. So the increasing rate of domestic and foreign tourist during the period respectively 133.1 percent and 553.5 percent.

The state has beautiful museums, trekking sites, dams, forts, forests, and beaches. Chhatrapati Shivaji Maharaj Museum, Raja Dinkar Kelkar Museum, Bhau Daji Lad Museum, Mahatma Phule Museum, and Jehangir Art Gallery are popular museums. Harishchandragad, Rajmachi, Kalsubai, Ratangad, Sandhan Valley, Prabalgar and Kalavantin Durg are the popular trekking destinations. Koyna Dam, Bhandardara Dam, Jayakwadi Dam, Radhanagari Dam, and Tansa Dam are popular dams. The Koyna Dam is situated on the Koyna River in Satara district. The Bhandardara Dam is situated on Pravara River in Ahmednagar district. The Jayakwadi Dam is situated on Godavari River in Aurangabad district. The Radhanagari Dam is situated on Bhogawati river in Kolhapur district and the Tansa Dam is situated on Vaitarna River in Thane district of the state. The Picturesque landscapes of the dams have become a tourist attraction for adventure seekers and nature lovers. Visitors can enjoy and observe the wildlife, natural beauty, and engage themselves in activities like birdwatching (Khulge and Naik, 2018).

The state has also reserve forests. The Tadoba Andhari Tiger Reserve, Bhimashankar Wildlife Sanctuary, Radhanagari Wildlife Sanctuary, Koyna Wildlife Sanctuary, Nagzira Wildlife Sanctuary, Sanjay Gandhi National Park, and Chandoli National Park are the popular reserve forest areas. Tourists can enjoy safari facilities at these places. The sanctuaries offer opportunities for eco-tourism and trekking. These are the best places for watching a variety of bird species which, include eagles, hornbills, and forest-dwelling birds. It also offers wildlife safaris, nature trails and educational programs. Visitors can enjoy the natural beauty of the Western Ghats. and explore the diverse ecosystems (Deshpande and Deshpande, 2016).

There are more prospects of heritage tourism in Maharashtra. Its many old forts like the Raigad Fort, Shivneri Fort, Sinhagad Fort, Torna Fort, Harishchandragad Fort, Pratapgad Fort, Purandar Fort, Sindhudurg Fort, Murud-Janjira Fort, and Panhala Fort are quite popular among the tourists. Raigad Fort is situated in the Sahyadri Mountains and one of the strongest fortresses of the Deccan Plateau. Samadhi of Tanaji Malusare, Kaundinyeshwar Temple, Kalyan Darwaza, underground water reservoirs, watchtowers and bastions are the special attractions of the Sinhagad Fort (Bhaskar and Shrivastava, 2022).

Table 3: Selected Monuments visited by Tourists in Maharashtra

Monuments	2020-21		2021-22		% Growth	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
Buddhist Caves Kanher	0	213	576	87182	-	40830.5
Elephanta Caves	281	82136	1321	219837	370.1	167.6
Cave, Temple, Inscriptions, Lenyadri, Junnar	6	73899	20	173143	233.3	134.3
Shaniwarwada	87	160547	478	516448	449.4	221.7
Aga Khan Palace Building	55	18963	197	41150	258.2	117.0
Cave Temple & Inscriptions, Bhaja	24	10976	81	35790	237.5	226.1
Caves, Temples, and inscriptions Karla	21	51045	150	156834	614.3	207.2
Kolaba Fort, Alibag	12	50421	19	33073	58.3	-34.4
Raigad Fort	0	76438	12	172058	-	125.1
Janjira Fort, Murd	7	149221	68	187947	871.4	26.0
Old Fort, Sholapur	1	11293	5	5755	400.0	-49.0
Lohgad Fort	21	31042	59	85972	181.0	177.0
Kondiote Caves	0	167	76	9373	-	5512.6
TOTAL	515	716361	3062	1724562	494.6	140.7

Source: Indian Tourism Statics. 2022, p.149.

Table-3 depicts the selected monuments visited by the tourists to Maharashtra. The number of domestic and foreign tourist visiting the selected monuments in 2020-21 were 716361 and 515 and 1724562, and 3062 in 2021-22 respectively. So the growth rate of domestic and foreign tourists during this time were respectively 140.7% and 494.6% respectively.

Torna Fort is an important landmark in the Sahyadri mountain range while Harishchandragad is a popular trekking destination. Harishchandra Temple, Kedareshwar Cave, Saptatheertha Pushkarni, Taramati and Rohidas Peaks are the special attractions of the fort. The Pratapgad Fort is situated in Sahyadri Mountains. The temple of Bhavani, samadhi (tomb) of Afzal Khan, and Pratapgad Museum are the special attractions of the fort. The Purandar Fort situated in Sahyadri Mountains. The Sindhudurg Fort is a maritime fortress that situated in an island in the Arabian Sea. The Murud-Janjira Fort is also an island fortress situated off the coast of Raigad district. The Panhala Fort is a hill fort located in Panhala and the Lohagad Fort is situated in the Sahyadri hills and popular trekking destination (Jadhav and Kumthekar, 2022).

Maharashtra is popular for its serene beaches. Some of the well-known beaches are the Juhu, Alibaug, Kashid, Ganpatipule, Diveagar, and Tarkarli. There are known for their picturesque and pristine beauty. Water sports and recreational activities are

available on the beaches. Travellers can also enjoy its numerous snacks and eateries. Popularity of beach camping is increasing. Beach resorts and guesthouses are available in many beaches. Travellers can involve themselves in activities, like relaxation, beach walks, and enjoying the calm sea breeze (Naik and Garge, 2023).

Table 4: Relation between Tourist Arrivals and Nominal GSDP (in crores INR) in Maharashtra

Year	Number of Tourist	Nominal GSDP
2011-12	60148888	12,80,369
2012-13	71450516	14,59,629
2013-14	86856899	16,49,647
2014-15	98516222	17,79,138
2015-16	107812850	19,66,225
2016-17	121185848	21,98,324
2017-18	124270053	23,82,570
2018-19	124270053	26,32,792
2019-20	154823407	28,78,583

Source: Economic Survey of Maharashtra 2019-20, p.9. (Pre-corona pandemic period)

Table 4-a: Summary Output

Regression Statistics	
Multiple R	0.974075298
R Square	0.948822686
Adjusted R Square	0.941511641
Standard Error	130652.2269
Observations	9

Source: Calculated by authors.

The table (4-a) shows that R square is found to be 0.948822686, showing, that the degree of strong relation between the independent variable X, i.e. arrivals of tourists, and the dependent variable Y, i.e. gross domestic product is strong. So, null-hypothesis-2 is not accepted, it means there are relationship between tourist arrivals and Gross domestic product of Maharashtra.

Tourism sector is a growing sector in Maharashtra. It has contributed more to the economy of the state. The researchers have done the SWOT analysis to discuss the future prospects and challenges before this sector of the state.

Table 5: SWOT Analysis of Tourism Industry in Maharashtra

Strengths	Weaknesses
<ul style="list-style-type: none"> ➤ Rich history and heritage ➤ Scenic beauty of the nature ➤ Tourist hill- stations ➤ Salubrious and pollution free environment 	<ul style="list-style-type: none"> ➤ Geographical isolation ➤ Inadequacy of marketing ➤ Lack of transport facilities ➤ Lack of adequate infrastructural support

➤ Politically and socially stable state	➤ Inadequacy of information channels
Opportunities	Threats
<ul style="list-style-type: none"> ➤ Adventure sports and trekking. ➤ Unexplored regions ➤ Eco- tourism is gaining popularity ➤ Increased disposable incomes of people 	<ul style="list-style-type: none"> ➤ Increase in crime ➤ Environmental factors ➤ Stiff competition from other states ➤ Extreme weather events

Conclusion

There are bright prospects of eco-tourism, rural tourism, religious, adventure, heritage, rural, event tourism and cultural tourism in Maharashtra. The state has beautiful hills, caves, national parks, sanctuaries, and safaris. There are many religious places and significant architectural pieces. Travelers can participate in water-based activities (like fishing, swimming, and boating) in lakes and rivers. The state abounds in religious and cultural festivities, flora and fauna, dance and music, rivers and mountains, monuments and architecture, places of mythological and historical importance, hills and valleys, river falls and springs, lakes and their severity which make it the most sought after destination.

The number of tourist arrivals in popular tourist destinations were declined in 2020 due to the coronavirus pandemic. Tourist places are scattered in various districts of the state. Tourist arrivals and its Gross Domestic Product are strongly correlated in the state. Still, there are many challenges before this sector. Hence, the government must focus on further improving its infrastructure, opening malls and markets of international standard, lodges and short-stay homes, hospitality, media coverage, maintenance of law and order, and a good network of connectivity and communication through proper plans and policies to attract more and more tourists to the state.

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DIRECT BENEFIT TRANSFERS: A REVOLUTIONARY MECHANISM FOR FINANCIAL INCLUSION

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Abstract

Direct Benefits Transfer is a system for controlling and aggregating data on direct benefit transfers from various sources; it is not a socioeconomic assistance program. Experts from a variety of fields have acknowledged that DBT has brought about overall inclusivity and efficiency in India over time. It was initially intended to be a program in which the government's welfare benefits are credited directly to the beneficiary's bank or postal account upon accurate identification. It became popular in 43 districts across 24 Central Schemes approximately ten years ago.

The DBT in India has covered over 300 Central and over 200 State schemes, providing eligible beneficiaries with both in-kind and monetary support. The major social security programs in India, such as Pratyaksha Hastaantarit Laabh (PAHAL), Direct Benefit Transfer for LPG, the Mahatma Gandhi National Rural Employment Guarantee Act, the National Social Assistant Program, the Scholarship Program, the Public Distribution System, and others, are examined in this paper in relation to financial inclusion through DBT.

Keywords: DBT, Financial Inclusion, Social Assistance Programme, Beneficiary, Cash and Kind Transfers

Introduction

Direct Benefit Transfer (DBT) is a system created to organize and track the distribution of direct benefit transfers from various sources; it is not a social assistance program. Over time, DBT has greatly increased inclusivity and efficiency in India, according to experts from a variety of fields. The Direct Benefit Transfer (DBT) was initially intended to be a program in which the government's welfare benefits are credited directly to the beneficiary's bank or postal account upon accurate identification. In 43 districts across 24 Central Schemes, it became popular approximately ten years ago. Up until now, over 300 Central and over 200 State programs have been covered by the DBT in India, which provides eligible beneficiaries with both in-kind and monetary support. Some well-known instances of financial assistance are widows, pensioners for the elderly, Divyanjan, farmers' income support programs like Pradhan Mantri Kisan, etc. scholarships for the underprivileged and other groups in need, as well as examples of in-kind support such as fertilizer subsidies, food grain support (PDS), midday meals for schoolchildren (PM POSHAN), etc., under the National Social Assistance Programme. Providing in-kind goods and services to intended beneficiaries is the second bucket of schemes, while the first set of support involves transferring assistance into the beneficiaries' individual bank accounts. A common theme is the identification and authentication of the intended beneficiaries through the use of electronic-ID Aadhaar. Benefits recipients' Aadhaar is obtained during enrollment, and it is subsequently validated against information kept in the Central Identities Data Repository of the Unique Identification Authority of India (the frequency of which is decided by the agency executing the scheme). For example, under PM KISAN, Aadhaar authentication is required only during enrollment, but under PDS, the beneficiary must authenticate her Aadhaar each time she wants to access her grain quota.

The Indian political system has a long history of democratic ideals that can be traced back to the 4th century. These ideals fully blossomed into a strong institutional democracy in the latter part of the 20th century, with the Constitution of India serving as the legal foundation. The Constitution of India clearly outlined the country's role as a welfare state, offering rights to all citizens and support for the vulnerable. The

Fundamental Rights and Directive Principles of State Policy were put in place to ensure these guarantees. The implementation of Direct Benefit Transfer (DBT) represents a significant advancement towards achieving the goals set forth by these foundational principles. The Directive Principles of State Policy, which govern state policy, enable the State to fulfill its affirmative duty of ensuring that people live dignified lives. These provisions actualize the right to a dignified living as guaranteed by the Fundamental Rights. Because of this, the DBT gives Article 21 greater teeth by effectively and efficiently implementing programs to address issues like disparities in income, opportunities, and resources, improving health, securing the right to work, and providing public assistance to those in need—all of which are components of the Directive Principles of State Policy. Effectively providing welfare benefits, the DBT model is a crucial pillar of contemporary Indian good governance.

According to The Economic Survey 2015–16, government support for growth must be proactive to attain equity and improve the economic circumstances of the impoverished and vulnerable. Furthermore, it demonstrated how price subsidies provided by the governments primarily benefit rich households over poor households.

For example, in the case of fuel, LPG, or electricity subsidies, market distortions are created that ultimately harm the poorest in society. Similarly, minimum support prices in the agriculture sector and railway passenger subsidies cause market distortions. Additionally, as a result of their leaks, the government incurs opportunity costs for the alternative uses of those resources in addition to direct wastes. It maintained that price subsidies do not need to cause distortions because the benefit they aim to create for the poor can be given to them directly through lump sum income transfers. In light of this, the Jan Dhan, Aadhaar, and Mobile Number (JAM) trinity was implemented with the aim of converting subsidies into Digital Benefits Transfers.

Objective and Research Methodology

This paper is mainly based on secondary data. All data has been collected through Books, Magazine, Research Paper, Newspaper and DBT official Website. The research

methods is partially descriptive and inferential. This study aims to examine the Direct Benefit transfer (DBT) Scheme in India and the efforts made by the government to modify the subsidy distribution mechanism. The main objective of the present paper are-

- To find out the Growth of DBT and awareness of people about it.
- To find out the impact of DBT in financial inclusion in India.
- To find out the effectiveness of schemes.

Growth of DBT

The NSSO survey results for 2022-23 and its projected elimination in extreme poverty has further enriched the discussion. While there have been numerous comparisons especially on macro-economic parameters and the poverty indicators, one thing that stands out is the efficiency of welfare schemes which has been significantly better in recent times. At the core of this increase in efficiency is the development of the Direct Benefit transfer system and its scalability in recent times.

DBT transfers have total an incredible Rs 35,30,011 crore over the years since it was founded. The DBT ecosystem is the focal point of welfarism in contemporary Bharat and has transformed the lives of the marginalized and impoverished on many levels.

The DBT has been well talked about by many researchers over the years. The IMF's book on inclusive growth consists of a chapter on inclusive growth in India and highlights the DBT system in detail. In very simple terms, it optimizes the JAM trinity Jan Dhan, Aadhaar and Mobile to ensure that cash transfers are transferred directly to the bank account of beneficiaries. For the year FY 2023-24, approximately Rs 5,45,599 crore has been transferred to almost 668 crore transactions through 315 schemes of more than 50 ministries.

One wonders what has made the DBT such an important part of the developmental narrative and why its central perhaps to future progress as well. There are three main reasons.

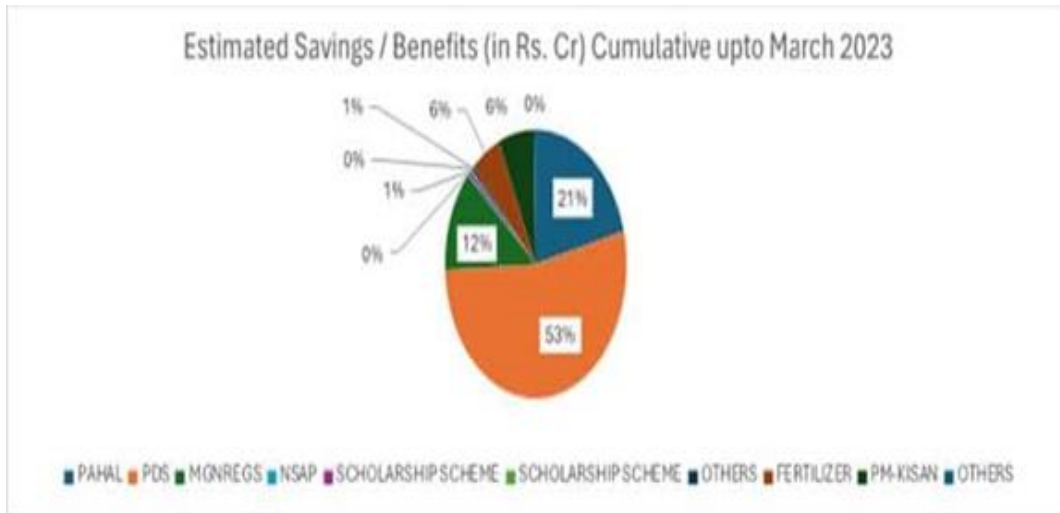
First, besides the technology, the recent scalability of DBT across many states in India has ensured that corruption through middlemen (on welfare schemes) is significantly reduced. Leakages of the system for direct cash transfers has been reduced significantly since the money reaches the beneficiaries directly into their bank accounts. This has generated significant monetary savings which we define in economics called the 'opportunity cost'---what would have been the cost had the DBT not been there? The answer to this question is staggering. According to the chart shown below, the cumulative savings in the DBT schemes from has been a staggering Rs 3,48,564.66 (approx. Rs 3.5 trillion) crores from the beginning of the DBT around FY2015 to March 2023.

This Rs 3.5 trillion is spread across the main flagship schemes such as PDS, MGNREGS, PM-Kisan and PAHAL schemes among others. Most of the efforts have been to cumulatively eliminate fake ID cards and beneficiaries and ensure that people receive the benefits of these schemes. If these numbers are legitimate, no reason to suspect otherwise given that its official data, then the opportunity cost of not having a DBT is huge. This could exceed the budget of various other big-ticket investments and schemes that have been conceptualized. For example, the Swachh Bharat Abhiyan's allocated budget from 2014-15 to 2021-22 is Rs 83,970 crores and funds released to states is about Rs 74,411.8 crores. When compared with the cumulative general government net lending/borrowing from 2015-2022 as per IMF WEO data, the amount of savings is almost 2.5 percent of the net general government net lending/borrowing figure! Such is the enormity of the savings that has been accrued as shown by the data for DBT thus far.

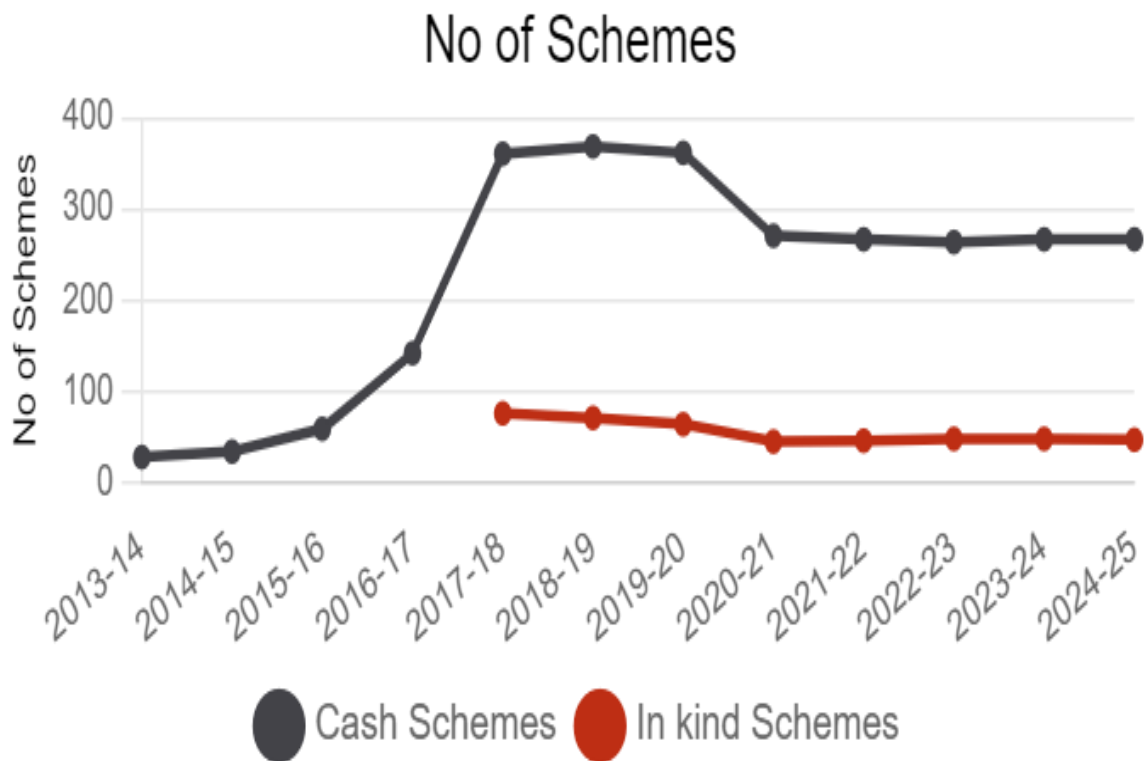
Second, besides the savings which has been accrued by reducing corruption, there seems to have been an inherent ability to transfer these direct transfers to beneficiaries into consumption-driven benefits. Given the vast UPI ecosystem which has been developed, the transfer rate from the benefits accrued to consumption levels at the lower percentile levels seems intuitively significant. A direct comparison of the lower tractile levels in both the NSSO 2022-2023 and NSSO 2011-2022 data without the micro-data available for the former would be an incomplete assessment.

The figure given below shows the remarkable increase in DBT transfers at the Central Government level over the last ten years. Over time, professionals from a

variety of fields have acknowledged that DBT in India has brought about overall inclusivity and efficiency. Countries must support DBT-styled public interventions into action plans for disaster resilience, according to the World Bank's 2022 assessment. The benefits of DBT on women's economic and social status both inside and outside of their homes in India.

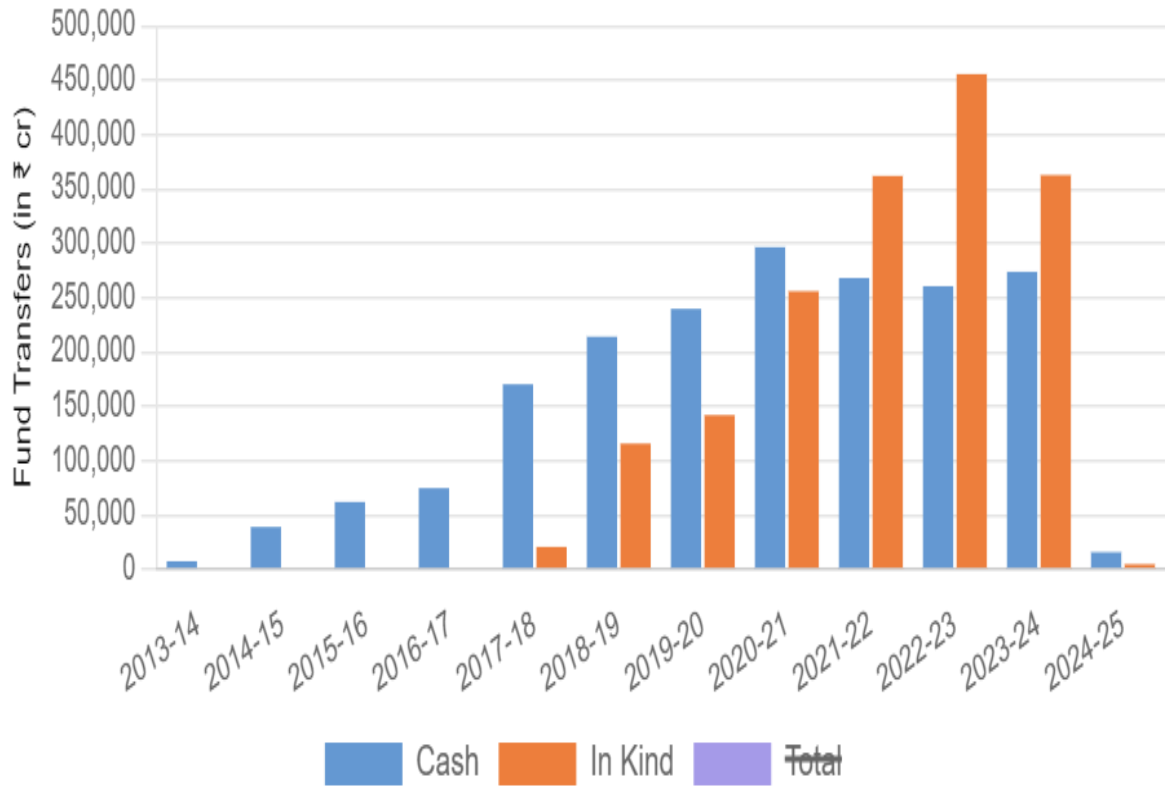


Source: DBT website



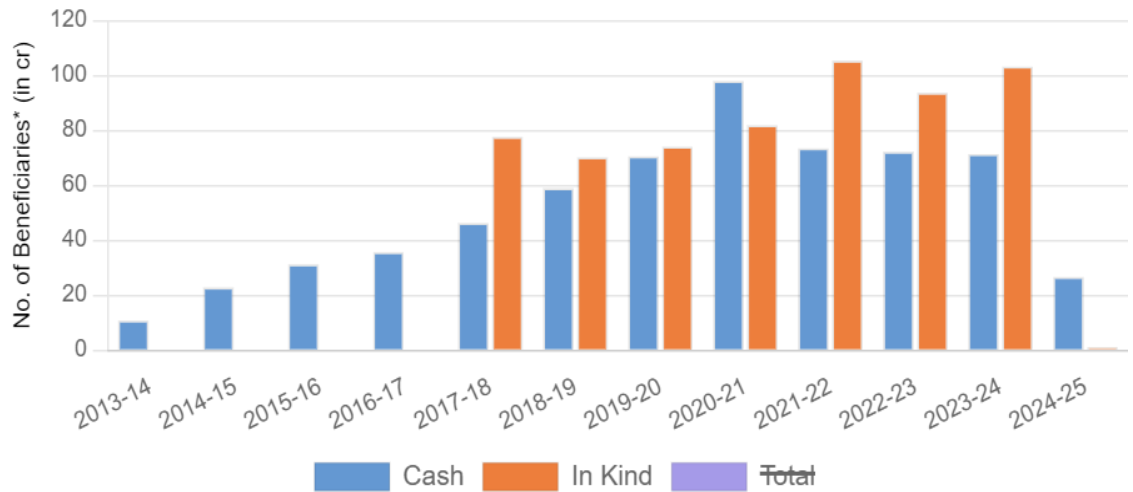
Source: DBT website

Year Wise Fund Transfer



Source: DBT website

Year Wise DBT Beneficiaries (Non-Unique)



*Sum total of beneficiaries across schemes

Source: DBT website

In retrospect, the entire DBT ecosystem needs to be far more appreciated than what it is given for. For the real poor and the disenfranchised, its transformational at various levels and is the fulcrum of welfarism in the modern Bharat. The ‘opportunity cost’ of DBT is high given the level of savings that it has accrued, its possible integration with UPI and its possible impact on consumption levels and its ability to empower women and the poor has been unprecedented to say the least.

At the ground level, the expansion of DBT and the integration with UPI, has ensured that rural women are empowered significantly. For example, in the erstwhile system, much of the PDS benefits would be siphoned off from rural women by drunkard men for their purposes. Due to the evolution of the DBT, not only are the women empowered by having the benefits in the bank account, it also seems to have ensured that they spend independently and wisely reflecting higher consumption standards at the lower decile levels as well. This liberates them and allows them to make sensible and prudent consumption choices unlike before. Equally importantly, this also empowers the poor irrespective of gender at various levels. It provides the poor a greater variety of choices and a wider price point for many products which they have access to unlike before.

DBT Performance Ranking of States / UTs

S. No	State/UTs	State Aadhaar Act	Aadhaar Saturation	CSS identification	Portal compliance	Data reporting	Savings Reporting compliance	Savings Expenditure Ratio	DBT Per Capita	Overall State Score	Overall State Rank
		Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Normalised Scores	Actual
		1	2	3	4	5	6	7	8	9	10
1	Haryana	100.00	88.40	78.20	100.00	100.00	100.00	100.00	55.10	88.80	I
2	Uttar Pradesh	100.00	74.20	84.90	100.00	100.00	100.00	74.40	63.00	85.20	II
3	Tripura	100.00	76.00	99.90	100.00	100.00	100.00	0.10	85.50	80.20	III
4	Gujrat	100.00	81.50	91.50	100.00	100.00	100.00	7.40	64.40	77.80	IV
5	uttarakhand	100.00	84.60	95.90	100.00	100.00	0	0	39.20	74.30	V
6	Jharkhand	100.00	77.70	84.70	100.00	100.00	100.00	15.9	33.20	73.10	VI
7	Goa	100.00	86.20	79.30	100.00	100.00	100.00	9.50	11.00	69.40	VII
8	J&k	100.00	65.90	86.70	100.00	100.00	0	0	25.40	68.30	VIII
9	Bihar	100.00	71.40	59.70	100.00	100.00	100.00	3.30	39.00	67.60	IX
10	Madhya Pradesh	100.00	75.80	47.90	100.00	100.00	0	0	44.90	66.90	X
11	puducherry	0	78.80	83.50	100.00	100.00	0	0	94.90	65.30	XI
12	Odisha	100.00	79.40	27.40	100.00	100.00	0	0	36.50	63.30	XII
13	Mizoram	0	75.80	93.90	100.00	100.00	100.00	11.30	52.80	62.00	XIII
14	Himachal Pradesh	0	87.10	89.80	100.00	100.00	100.00	0	47.80	60.70	XIV

15	Punjab	0	86.40	67.10	100.00	100.00	0	0	65.40	59.90	XV
16	Tamil Nadu	0	79.70	87.70	100.00	100.00	100.00	16.00	31.90	59.30	XVI
17	Delhi	0	100.00	50.70	100.00	100.00	100.00	0.80	58.20	58.50	XVII
18	Rajasthan	100.00	73.70	79.10	50.00	0	0	0	100.00	57.50	XVIII
19	Andhara Pradesh	0	78.10	93.20	100.00	0	100.00	75.90	36.70	54.90	XIX
20	Manipur	100.00	70.10	96.90	100.00	0	0	0	16.50	54.80	XX
21	Kerala	0	87.40	62.20	100.00	100.00	0	0	27.00	53.80	XXI
22	Chhhatigarh	100.00	84.60	100.00	50.00	0	0	0	35.90	52.90	XXII
23	Nagaland	100.00	48.60	85.90	100.00	0	0	0	23.10	51.10	XXIII
24	Sikkim	100.00	72.60	63.70	100.00	0	0	0	17.20	50.50	XXIV
25	Karnatka	100.00	79.40	82.40	50.00	0	0	0	31.70	49.10	XXV
26	Maharashtra	100.00	79.60	59.70	50.00	0	100.00	25.10	24.50	48.40	XXVI
27	Meghalya	0	25.00	69.00	100.00	100.00	0	0	32.40	46.60	XXVII
28	Andaman&Nicobar	0	80.50	71.40	50.00	50.00	100.00	16.30	48.60	45.30	XXVIII
29	Chandigarh	0	84.50	54.70	100.00	50.00	100.00	0.20	20.30	44.30	XXIX
30	Dadra & Nagar Haveli	0	82.70	26.10	100.00	50.00	100.00	0.10	47.00	43.70	XXX
31	Arunachal Pradesh	0	67.70	99.90	100.00	0	0	0	11.30	39.90	XXXI
32	Daman & Diu	0	80.30	13.80	100.00	50.00	0	0	28.00	38.90	XXXII
33	lakshadweep	0	82.90	11.30	100.00	50.00	0	0	22.70	38.10	XXXIII
34	Telangana	0	86.30	40.00	50.00	0	0	0	31.30	29.60	XXXIV
35	Assam	0	15.70	100.00	50.00	0	0	0	19.10	26.40	XXXV
36	West Bengal	0	79.20	0	0	0	0	0	13.00	13.20	XXXVI

Source-Information as on 31st December 2021-22. As reported by States/UTs to DBT Mission.

Besides providing them a bank account and financial access, it also ensures that the poor are far more well informed than before in making wise consumer choices.

DBT And India Stack

The term "India Stack" refers to a collection of publicly available digital goods and open APIs that seek to unlock the fundamental economic components of identity, data, and payments at the population scale. The DBT is a system for controlling and aggregating data on direct benefit transfers from various sources, it is not a social assistance program in and of itself. When it comes to cash schemes, the DBT uses the beneficiaries' bank account number or Aadhaar-linked account to transfer social benefits directly to them. Consequently, using Aadhaar serves as both a financial address and a unique identifier. An individual can use their biometric credentials to conduct banking transactions in Aadhaar-linked bank accounts under the Aadhaar enabled payment system. The Aadhaar number is mapped against a specific savings bank account, and transfers to such accounts can be made using the Aadhaar Number as the address. In sum up, DBT leverages two elements of India Stack-identity and payments – building on and contributing to online, paperless, cashless, and privacy respecting access to a variety of public and private services.

G20 Agenda and DBT

It is intended that India's current G20 Presidency will be inclusive, aspirational, proactive, and decisive. It has also been stressed that since 'India is a microcosm of the world, the initiatives that we take for leveraging technology for citizen welfare will catalyze a fundamental mindset shift, to benefit humanity as a whole. The DBT is a shining instance of Indian innovation that fits seamlessly into this farsighted vision. India is endeavouring to use the G20 platforms for introducing the home-grown DPI-based DBT paragon to the world, particularly the Global South. DBT also fits into the bigger picture of India's co-chairmanship of the Global Partnership for Financial inclusion, a forum where India seeks to promote the development of an open, inclusive, and responsible digital financial

ecosystem based on the presence of a sound and effective digital public infrastructure (DPI) for the advancement of financial inclusion, a vision reiterated in 2023. For its impact on promoting transparency, DBT was also showcased in the G20 Anti-Corruption Working Group Meeting. India's DBT is praised globally.

In addition to assisting in reducing leakages and curbing corruption, India's Direct Benefit Transfer has been a force multiplier in facilitating the direct transfer of social safety net payments from the government to beneficiaries' bank accounts and offering a means of effectively reaching more households to increase coverage. Helped by digital cash transfers, India managed to provide food or cash support to a remarkable 85 percent of rural households and 69 percent of urban households. The World Bank also praised the scale at which DBT impacts people's lives. The IMF has hailed DBT for being a logistical marvel that these programs that seek to help people who are at low Income levels reach literally hundreds of millions of people. Simultaneously, it is estimated that DBT and related governance reforms will save the Indian government, up until March 2021, a total of Rs. 2 point23 lakh crore, or nearly 1.1 percent of GDP. This amount has since increased to Rs. 2.73 lakhs crore as of March 2022, according to information found on the government website.

Future prospective of DBT.

The Digital Bridge Treaty (DBT) is merely a minor step in a much longer journey for a nation with strong ties to civilization and a policy framework aimed at shaping history. The next big-bang reforms, DBT 2.0 and DBT 3.0, are already on track to be implemented.

The DBT 2.0 emphasizes a digital process for checking if someone is eligible online, in short, the programs usually need people to provide proof of their eligibility, which can be in the form of documents or certificates from various government bodies and departments. Subsequently, the scheme implementing agency has to spend time and incur expenditure for verifying authenticity of such documents. The digitisation and Aadhaar seeding of such documents ensure citizen friendly, real time, and cost-effective verification or authentication. The Digi Locker and API Setu offer convenient digital platforms to issue and access eligibility certificates in electronic and machine-readable format. In his address on the occasion of the Civil Services Day, the Prime

Minister alluded to this approach. The policy-framework has been laid down; the technical platforms have been readied, and many states and Ministries/Departments of the Central Govt. have already been onboarded on the platforms.

DBT 3.0 aims to bring about a revolutionary change in how benefits are provided to the public. As things stand, citizens have to discover the Government schemes for which they would be eligible and apply to the concerned scheme implementing agency for availing the benefits. However, by pooling in data residing in various government databases, the State can suo motu reach out to eligible citizens and start delivering the envisaged benefits to them by obtaining their consent and willingness thereof. Several States have put in place such “Social Registries” of varying levels of maturity and richness of data fields – such as Kutumba in Karnataka, Parivaar Pehchaan Patra in Haryana, Samagra in Madhya Pradesh, Jan Aadhaar in Rajasthan, Social Protection Delivery Platform in Odisha. The need now is to establish a national level social registry that builds on the states’ best practices and places governance in India on a peerless pedestal.

Conclusion

At the ground level, the expansion of DBT and the integration with UPI, has ensured that rural women are empowered significantly. Due to the evolution of the DBT, not only are the women empowered by having the benefits in the bank account, it also seems to have ensured that they spend independently and wisely reflecting higher consumption standards at the lower decile levels as well. This liberates them and allows them to make sensible and prudent consumption choices unlike before. Equally importantly, this also empowers the poor irrespective of gender at various levels. It provides the poor a greater variety of choices and a wider price point for many products which they have access to unlike before. Besides providing them a bank account and financial access, it also ensures that the poor are far more well informed than before in making wise consumer choices.

In retrospect, the entire DBT ecosystem needs to be far more appreciated than what it is given for. For the real poor and the disenfranchised, its transformational at various levels and is the fulcrum of welfarism in the modern Bharat. The opportunity cost of DBT is high given the level of savings that it has accrued, its possible integration with

UPI and its possible impact on consumption levels and its ability to empower women and the poor has been unprecedented to say the least. For the far-reaching contemporary impacts of, and the possibility of futuristic reforms in India's DBT paradigm, it is one of India's most remarkable contributions to the discourse in ongoing discussions. It clearly has the potential to promote harmony within our One Family and our One Future.

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CURRENT SCENARIO, GROWTH, AND FORECASTING OF ELECTRIC VEHICLES IN INDIA

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Abstract

The Department of Heavy Industry is administering the scheme “Faster Adoption and Manufacturing of Electric and Hybrid Vehicles in India”, popularly known as the FAME India scheme since 01st April 2015. Electric Vehicles are those which are getting power from the batteries installed inside the vehicles instead of fossil fuel. There are four types of electric vehicles in the market, Battery Electric Vehicles (BEVs), Plug-in-Hybrid (PHEVs), Hybrid Electric Vehicles (HEVs), and Fuel cell electric vehicles. This study is based on secondary data which were collected from the Ministry of Road Transport & Highway, Government of India and data are classified into regions for our study. From the study, it is found that Uttar Pradesh had the highest number of electric vehicles registered in the north zone in the last nine years i.e. 214663. In the west- zone, Gujarat has a high volume of vehicles registered i.e.176156 and it is followed by Goa (62722) during the last nine years. At present, Maharashtra has the highest number of vehicles. It is surprising that all states in the south region have an increasing number of registrations of electric vehicles. Bihar is the state having the highest number of vehicles registered in 2014 i.e. 424 and positive 9-year change results in West Bengal (549100). It is also observed from the central region that Madhya Pradesh has the highest number of electric vehicles registered in the last nine-year and has a positively changed 85827 as compared to Chhattisgarh (18518). It is well-known that Delhi has registered the highest number of electric vehicles in the Union Territory whereas Jammu and Kashmir showed positive changes in 9 years as compared to others. It is also seen that the number of customers of e-vehicles in Jammu & Kashmir and Chandigarh has increased in 2022. The overall study examined, that the North region

consumers are interested to purchase electric vehicles having 363592 registered in the last nine years followed by the south-region i.e. 244983. It is estimated that during the last 10 years, registered electric vehicle users have increased at the rate of 10 percent. It indicates that awareness among consumers regarding the environment is increasing and sustainable development.

Keywords: Electric Vehicles, Consumer, Vehicles Registered, Forecasting, Compound Annual Growth Rate.

Introduction

Electric vehicles are one of the eco-friendly products in the automobile industry, and they have created a new era in the automobile business at the world level. The electric vehicles industry is a growing industry in India. Various schemes and incentives have been launched by Central and state governments to promote electric mobility in the country. Electric Vehicles are those which are getting power from the batteries installed inside the vehicles instead of fossil fuel. The batteries are used for engine power and the functioning of wipers and lights also. In our country, there are four types of Electric Vehicles running: Fuel Cell Electric Vehicles (FCEV), Plug-in Hybrid Electric Vehicles (PHEV), Hybrid Electric Vehicles (HEV), and Battery Electric Vehicles (BEV).

Types of Electric Vehicles	Battery Electric Vehicles (BEV)	Hybrid Electric Vehicles (HEV)	Plug-in Hybrid Electric Vehicles (PHEV)	Fuel Cell Electric Vehicles (FCEV)
Define	They are powered purely by an electric battery with no internal combustion (IC) engine (Petrol/Diesel) parts.	Both an engine and an electric motor. The energy runs engines that come from fuel or batteries.	They have both engine and a motor. You can choose among the fuels, conventional fuel (such as Petrol) or alternative fuel (such as bio-diesel)	They employ 'fuel cell technology' to generate the electricity required to run the vehicles.
Main Components	Electric Motor, Inverter, Battery, Control Module, Drive train	Engine, Electric Motor, Battery pack with controller inverter, Fuel tank, Control module	Electric motor, Engine, Inverter, Fuel tank, Control module, Charger (if onboard model).	Electric motor, Fuel-cell stack, Hydrogen storage tank, battery with converter and controller.

Example	MG ZS, TATA Nexon, TATA Tigor, Hyundai Kona, Mahindra E20 plus, Mahindra Verito etc.	Toyota Prius, Maruti Suzuki Invicto, Maruti Suzuki Grand Vitara, Honda City Hybrid eHEV, Ford Fusion Hybrid etc.	Hyundai Sonata, Kia optima, Volvo XC 90 T8, Mercedes 5550e, Fiat 500e, Mercedes C350e etc.	Toyota Mirai, Riversimple Rasa, Hyundai Tucson FCEV, Honda Clarity Fuel cell, Hyundai Nexa etc.
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Source: <https://e-amrit.niti.gov.in>

FAME (Fast Adoption and Manufacturing of (Hybrid&) Electric Vehicles) Scheme of India: It is divided into two phases: The First Phase of the scheme was initially approved for a period of 2 years which was started from 1st April 2015. From time to time the Scheme has been extended with the last extension allowed for a period up to 31st March 2019 and continued until March 31, 2022. The Central government recently declared it is again extended Phase II until March 31, 2024. This Scheme provides various benefits such as, encouraging the use of **renewable energy sources** through charging systems, reducing **environmental** issues **and natural fuel conservation**, promoting **eco-friendly** public transportation, giving subsidy benefits to various vehicle segments, and installing charging stations on roadsides. (<https://fame-india-scheme>)

During the I Phase of FAME India scheme, the authorities of the scheme concentrated on four main areas i.e. pilot projects, creation of demand, platform of technology, and facilities of charging infrastructure. During this stage, the government located **427 charging stations**.

In the Government notice, it was said that in the II Phase of FAME Scheme will be of a budgetary of Rs. 10,000 crores for five years commencing which will commence from 1st April 2019 to promote hybrid/ electric technology in transportation field in order to reduce dependency on fossil fuels and to reduce vehicular emissions. In the case of electric three-wheelers, e-buses, and electric four-wheelers (e-4W), the scheme facilitates a subsidy to those vehicles which are used in public transportation and for commercial use. For electric-wheelers, privately owned vehicles are also provided with subsidies. II Phase of FAME India supports 5 lakh e-three Wheelers, 7,090 electric-Buses, 55,000 electric four Wheeler Passenger Cars (including Strong Hybrid), and 10 lakh electric two-wheelers. (<https://pib.gov.in>)

Research Question

What is the status of electric vehicles region-wise and the future of electric vehicles in India?

Objectives

- To study the status of Electric vehicles in India
- To analyze which zone has the maximum number of users of Electric Vehicles.
- To find out the forecasting of Electric Vehicles in the next 10 year

Research Methodology

This study is based on the secondary data which were collected from the annual reports of the Ministry of Road Transport & Highway, Government of India for the last nine years i.e. from 2014-2022. and then it was analyzed with the help of these data five-year change, nine-year change then forecasting for the next ten years is calculated, and CAGR (Compound Annual Growth Rate) is also computed.

Table-1 Electric Vehicles registered in North-zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014 (%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Himachal Pradesh	1010	1	2	1007	100	50250	10060
Punjab	14419	29	361	14029	1145	3786	48276
Uttarakhand	20590	9	5069	15512	56222	206	172255
Haryana	29963	5	4531	25427	90520	461	508440
Rajasthan	82947	84	4663	78200	5451	1577	92995
Uttar Pradesh	214663	133	53197	161333	39898	203	121203
Total	363592	261	67823	295508			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation

From the above North zone, it is observed that Uttar Pradesh has 49 more electric vehicles as compared to Rajasthan in 2014 whereas 48128 more electric than Uttarakhand in 2018. During the last five-year change in 2018 over 2014 change analysis showed 90520 percent in Haryana followed by 56222 percent in Uttarakhand. In contrast, 100 per cent positive result show in the state of Himachal Pradesh and the lowest per cent of change of electric vehicles were registered in Uttar Pradesh i.e. 203

percent in the last 5 years in 2022 over 2018, Himachal Pradesh and Punjab have taken an interest to purchase electric vehicles as compared to other states in the North zone shown in same. Haryana show better results in the last nine years as compared to others. The overall study shows the highest number of electric vehicles run in Uttar Pradesh 213653 more than the least number of electric vehicles i.e. Himachal Pradesh.

Table-2 Electric Vehicles registered in North-East Zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Arunachal Pradesh	3	-	1	2	100	100	100
Assam	48036	-	7402	40634	100	448	100
Manipur	379	-	38	341	100	797	100
Meghalaya	45	1	2	42	100	2000	4100
Mizoram	36	-	-	36	-	100	100
Nagaland	3	-	-	3	-	100	100
Tripura	4203	-	32	4171	100	12934	100
Total	52705	1	7475	45229			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation, **Sikkim Data is not available

It is examined that Assam is the state where the highest number of consumers registered electric vehicles in 2018 whereas Mizoram and Nagaland are the two-state no of electric vehicle users found in 2018. As per analysis five-year change of 100 percent change in north east region except the Mizoram and Nagaland. During the year 2022,36463 more electric vehicles in Assam followed by Tripura. Meghalaya increasing at increasing date next five years i.e. 2000 percent as compared to other states. Nine-year change found better results for electric vehicle users. It indicates that consumers are aware of electric vehicles.

Table-3 Electric Vehicles registered in West Zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Goa	5685	9	22	5654	144	25600	62722
Gujarat	69258	39	479	68740	1128	14251	176156
Maharashtra	140462	899	4530	135033	404	2881	14920
Total	215405	947	5031	209427			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation

Table -3 reveals that Maharashtra is the state that has the highest number of electric vehicle users found in every year followed by Gujarat in the west zone of our country.

During the last five years analysis of changes has shown that Gujarat has increased in 2018 over 2014, Goa in 2022 over 2018 i.e. 25600. Gujarat has good results of nine-year changes of consumer of electric vehicle users.

Table-4 Electric Vehicles registered in South-Zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Andhra Pradesh	29841	12	1155	28674	9525	2382	238850
Karnataka	97153	577	1973	94603	242	4695	16296
Kerala	39839	25	258	39556	932	15231	158124
Tamil Nadu	68150	71	1306	66773	1739	5013	93946
Total	234983	685	4692	229606			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation, **Telangana Data is not available

It is found above table that Karnataka has a higher number of electric vehicles as compared to other states in the southern zone of our country. During the last 5-year changes in 2018 over 2014 results Andhra Pradesh had a good response for electric vehicles i.e. 9525 followed by 1739 in Tamil Nadu whereas Kerala (15231 percent) showed better results in the next five-year change in 2018 over 2014 followed by Tamil Nadu (5013). It is an analysis of during nine-year change in 2022 over 2014 Andhra Pradesh results in higher changes. Telangana is a state where electric vehicles are not available on the government website.

Table-5 Electric Vehicles registered in East-Zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Bihar	64628	424	8466	55738	1879	558	13046
Jharkhand	15587	4	1956	13627	48800	597	340575
Odisha	29697	49	1268	28380	2488	2138	57818
West Bengal	17705	2	6719	10984	335850	63	549100
Total	127617	479	18409	108729			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation

It is observed from the above study, West Bengal (335850) has higher changes as compared to other states in the last five years during 2018 over 2014 but the least changes in 2022 over 2018 in the western zone of our country. West Bengal (549100) and Jharkhand (340575) have increased electric vehicle users at an increasing rate last nine-year change.

Table-6 Electric Vehicles registered in Central-Zone

State	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Madhya Pradesh	36839	40	2428	34371	5970	1315	85827
Chhattisgarh	23624	120	1162	22342	868	1823	18518
Total	60463	160	3590	56713			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation

It is observed from the study in the central -zone of our country that in 2014 Chhattisgarh state had 80 more electric vehicles as compared to Madhya Pradesh but changes in five years 2018 showed 5970 percent increases in Madhya Pradesh followed by Chhattisgarh. It is surprising results of Madhya Pradesh 31943 more electric vehicles run on the road as compared to the last five years and positive changes in the last nine-year i.e.85827. It indicated consumers are more aware of environmental concerns so they move to purchase eco-friendly products.

Table-7 Electric Vehicles registered in Union Territory

Union Territory	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
Ladakh	30	-	-	30	-	100	100
Jammu & Kashmir	4781	3	90	4688	2900	5109	156167
Puducherry	1550	3	87	1460	2800	1578	48567
Delhi	80194	47	20800	59347	44155	185	126170
Chandigarh	2890	-	213	2677	100	1157	100
Dadra and Nagar Haveli and Daman and Diu	141	-	18	123	100	583	100
Andaman & Nicobar	40	-	20	20	100	0	100
Total	89626	53	21228	68345			

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation, **Lakshadweep Data is not available

It is found from the above study of Union Territory electric vehicle registered, Delhi has a higher number of electric vehicles consumer as compared to others in the last nine years. It is seen from the table Jammu & Kashmir and Chandigarh increase in customers in 2022. During nine-year changes shown Delhi and Jammu Kashmir had better results. It indicates that north part of our country is aware of electric vehicles.

Table 8: Zone-Wise Distribution of Electric Vehicles

Zone-Wise	Total Electric Vehicles	2014	2018	2022	5-year change in 2018 over 2014(%)	5-year change in 2022 over 2018(%)	9-year change in 2022 over 2014(%)
North-Zone	363592	261	67823	295508	25886	336	113121
North-East Zone	52705	1	7475	45229	747400	505	4522800
West-Zone	215405	947	5031	209427	431	4063	22015
South-Zone	234983	685	4692	229606	585	4793	33419
East-Zone	127617	479	18409	108729	3743	491	22599
Central-Zone	60463	160	3590	56713	2144	1480	35346
UT	89626	53	21228	68345	39953	222	128853
Total	1144391	2586	128248	1013557			

Source: Authors' Calculation

From the above study, it is found that 128609 electric vehicles run in North Zone as compared to the South -zone in our country. It is to be assumed that North-Zone consumers shifted to eco-friendly vehicles as compared to another zone. In the case of, the North-East zone there is only 1 electric vehicle consumer in 2014 gradually increases by 7474 (747400 percent) in the next 5 years but the west-zone have the least change in the next five years. During the five-year change in 2022 over 2018 found that 4793 percent changes in the south zone followed by the west zone.

Table 9: Electric Vehicles Registered in India

Year	Two-wheeler	Three-wheeler	Four-wheeler	Total
2014	2094	12	480	2586
2015	1448	5416	679	7543
2016	1457	46903	618	48978
2017	1529	83346	827	85702
2018	17067	110134	1047	128248
2019	30389	133489	962	164840
2020	29113	90384	3207	122704
2021	156243	158129	12259	326631
2022	630180	350247	33130	1013557
Total	869520	978060	53209	1900789

Source: (1) Ministry of Road Transport & Highway, Government of India, (2) Authors' Calculation

It is observed from above that two-wheeler electric vehicles are registered in higher numbers i.e. 2094 followed by four-wheeler electric vehicles (480). It is a surprising result showing three-wheeler electric vehicles registered in the next six years from 2015 to 2020. Next year a higher number of two-wheeler electric vehicles registered in our country. It is seen that the total number of four-wheelers i.e. 53209 registered from the year 2014 to 2022 in our country.

Table 10: Forecasting of Electric Vehicles for India

Year	Two-wheeler	Three-wheeler	Four-wheeler	Total
2023	578222	319936	32760	980918
2024	713430	370423	40306	1124159
2025	848638	420910	47852	1317400
2026	983846	471396	55399	1510641
2027	1119054	521883	62945	1703882
2028	1254263	572369	70491	1897123
2029	1389470	622856	78038	2090364
2030	1524678	673343	85584	2283605
2031	1659886	723829	93130	2476845
2032	1795094	774316	100676	2670086
Total	11866581	5471261	667181	18005027
CAGR	13%	10%	13%	12%

Source: (I) Authors' Calculation

It is forecasting the next 10 years of electric vehicle production and sale in our country. In case of two-wheelers shows a gradual increase in the coming year at 13 percent of the compound Annual Growth Rate same as four-wheeler electric vehicles i.e. 13 percent but in the case of three-wheeler passenger vehicles increases at lower as compared to the rest of electric vehicles.

Findings

It is found from the above study that Uttar Pradesh is the state in which the highest number of electric vehicles registered in the last nine years from 2014 -2022 i.e. 214663 followed by Rajasthan 82947 in the north zone in our country. Haryana have a higher change in 9 years as compared to other states in this zone. The north-east zone has positive changes i.e. 100 percent during nine-year. Maharashtra has 71204 more electric vehicles as compared to Gujarat. In the south zone, Andhra Pradesh has had higher changes during the last nine -years i.e. 238850 percent. Bihar is the state in which a higher number of electric vehicles (64628) are registered in the east zone. But during the last nine-year changes observed West Bengal have positive change i.e. 549100 followed by Jharkhand (340575). In the case of the central zone, Madhya Pradesh has a higher number of electricity registered as compared to Chhattisgarh. Union Territory examined the positive changes in the last nine years of registration of electric vehicles in that area. Overall study shows that North-zone customer registered the highest number of electric vehicles (363592) in the last nine-year 2014 -2022 followed by the south zone i.e. 234983. During the last nine years 2014-2022, changes had positive results in the north and north-east zone in our country. After analyzing the forecast next

10 years i.e. from 2023-2032 two-wheelers, three-wheelers, and four -wheelers showing positive results and the growth rate of two-wheelers and four-wheelers having 13 percent indicates consumer awareness about environmental concern and saving the environment for the next generation using purchase personal electric vehicles.

Conclusion

It is concluded from the study that consumers are aware of environmental concerns they move to eco-friendly products i.e. electric vehicles. The Government has introduced the FAME scheme for the adoption and promotion of Electric Vehicles in India. The advancement of technology, tightened environmental regulations and time-bound efforts from government as well as automobile industries shall help in a steady and smooth shift to Electric Mobility. Our country is rapidly moving towards electric mobility as observed from the collected secondary data of different regions. The major gains of the adoption of electric vehicles include a reducing in environmental pollution, a reduction in oil import, an improvement in national security, a better economy, and a better way for the utilization of renewable resources.

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CASHLESS ECONOMY IN RURAL INDIA: CHALLENGES AND OPPORTUNITIES

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Abstract

The integration of digital payment systems into India's rural economy stands as a pivotal juncture in the nation's quest for financial inclusion and modernization. Residents of rural areas showing a tendency to consider transitioning to a cashless society, indicating some level of interest or openness. However, despite this inclination, various concerns such as security risks, lack of infrastructure, limited access to banking services, and unfamiliarity with digital payment systems can still act as significant barriers. These factors collectively contribute to hesitancy or reluctance among rural residents to fully embrace cashless transactions.

Therefore, while there may be a willingness to explore cashless options, the presence of multiple deterrents underscores the complexity of encouraging widespread adoption in rural communities. There has been a noticeable adoption of digital payment systems, indicating a changing trend in consumer preferences and financial habits. The transition to cashless transactions signifies a growing reliance on technology and electronic payment solutions for conducting various financial activities.

In conclusion, while the journey towards a cashless economy in rural India is beset with challenges, it also embodies a beacon of hope for inclusive development. By addressing infrastructure gaps, enhancing digital literacy, and fostering trust in digital financial systems, stakeholders can unlock the transformative potential of digital transactions in rural India, driving economic empowerment and societal progress.

Keywords: Cashless Transactions, Financial Inclusion, Cashless Economy, Digital Payment, Infrastructure, Rural Economy.

Introduction

In a cashless economy, transactions are conducted electronically rather than with physical currency. This includes methods like credit/debit cards, mobile banking, digital wallets, and online transactions. To promote and bolster a cashless economy, it's crucial to foster the habit of conducting transactions without cash. India's economy is predominantly agrarian and rural, with a significant unorganized sector. About two-third of the population reside in rural areas, where the majority of the challenges in transitioning to cashless transactions for the coming decade are concentrated. The informal sector, which is the largest employer in India, relies primarily on cash.

An inclusive system that encourages cashless transactions would be an organic progression from current policies aimed at enhancing financial inclusion. A significant portion of transactions in the country involve small-scale exchanges for goods and services. Millions of individuals lack access to bank accounts, the internet, or the necessary infrastructure to comprehend and utilize online payment methods. Therefore, there's a pressing need for widespread implementation of digital services to facilitate digital transactions in small towns and rural India. Moreover, the low literacy rates and inadequate internet connectivity, alongside a lack of basic amenities, pose significant barriers to the adoption of cashless transactions.

To transition India's economy into a digitally advanced nation and shift from cash to cashless transactions, the Government of India launched the digital India campaign in 2015. Digitizing transaction is considered the most effective approach toward achieving a cashless economy. Additionally, the burgeoning fintech sector, fuelled by advancements in technology, holds the promise of delivering tailored solutions to address the unique needs of rural consumers and businesses. This transformation can be facilitated by promoting electronic payment methods, enhancing financial infrastructure, and cultivating digital transaction habits among the populace. The government's decision to implement demonetization in 2016 was another step toward advancing the cashless economy. The government needs to ensure essential amenities in rural areas and prioritize infrastructure development. Promoting financial literacy is essential to onboard more individuals onto digital platforms. Linking all welfare initiatives with bank accounts is a crucial strategy. A robust banking foundation is indispensable for transitioning towards a cashless economy. However, despite these

efforts, there remain various challenges and opportunities on path to a cashless economy.

Literature Review

Bansal (2017), The Indian government aims to modernize the banking system from traditional branch base practices to technology driven cashless banking. It provides ample opportunities such as enhancing mobile and internet penetration, increasing disposable income, urbanization, attracting foreign investment, and implementing economic and taxation reforms to boost digital transactions. However, challenges such as poor internet connectivity in rural areas, digital illiteracy, cyber security concerns, and a highly fragmented unorganized economy need to be addressed.

Rajak (2017), The Indian government is steering the economy towards a cashless system after demonetization to tackle the issues of black money. While there is a vast potential for digital activities in the country, the current program has not been entirely satisfactory. Certain measure needs to be implemented by the government to ensure a cashless economy in the near future.

Aparna et. al (2018), There is a significant opportunity for training and awareness programs to educate rural communities about cashless transactions and their importance in economic development.

Bawaree (2018), A cashless economy brings benefits to the public, suggesting that the Indian government should raise awareness about electronic payment methods and techniques.

Dimri et. al (2018), The significant rural population, delayed technology adoption, insufficient awareness among potential users, underutilization of available technology, effective marketing of e-delivery channels, and security concerns are major obstacles impeding the transformation of India's cash-rich society into a cash-lite one.

Kousalya et. al (2018), Ensuring financial security in digital payment channels is crucial for promoting the idea of a cashless economy. A significant barrier to the rapid adoption of alternative payment methods is the penetration of mobile internet, as point of sale terminals rely on mobile internet connections. Additionally, bank charges on card-based transactions be perceived as a hindrance.

Priyanka (2019), The world is swiftly transitioning towards digitalization, evident in various aspects of our lives such as shopping, education, banking, and bill payment. Nowadays, many people favour electronic transactions over carrying physical cash. This reduced reliance on cash is characteristic of a cashless economy.

Chauhan (2019), A cashless economy can aid in curbing black money, decreasing cash-related crimes, and enhancing the economic growth of our nation. However, challenges in implementing this policy include cybercrime, high illiteracy rate, public attitudes and lack of transparency and efficiency in digital payment system.

Sharma (2019), A cashless economy can aid in curbing black money and counterfeit currency, combating terrorism financing, reducing cash-related crimes, and enhancing economic growth through increased resource mobilization and formalization of the economy. However, significant challenges hinder the realization of a cashless economy, including cyber fraud, high illiteracy rates, entrenched mindsets, lack of trust in electronic transaction insufficient awareness about the benefits of digital banking, a large informal cash-dependent economy, and inadequate digital infrastructure in remote areas.

Kumar et. al (2020), Key challenges that could impede the implementation of a cashless economy policy include cyber fraud, high illiteracy rates, societal attitudes, and deficiencies in transparency and efficiency within digital payment systems.

Sirisha et. al (2021), Most consumers favour credit and debit cards as the most convenient payment method, followed by mobile wallets. Factors such as privacy, security and convenience influence consumers towards cashless transactions. Additionally, there is sufficient awareness among consumers regarding information security in cashless transaction.

Chandel (2022), Initiating a cashless economy in India marks a positive stride toward economic growth. This endeavour aims to underscore the challenges and opportunities of a cashless economy by embracing digital payment methods, enhancing electronic financial infrastructure, and fostering increased digital transaction among the populace to promote a cashless system in India.

Shireesha (2022), The Digital India initiative by the government of India is a pivotal endeavour aimed at transforming India into a digitally empowered society and a knowledge economy.

Sharma (2023), Cashless transactions provide benefits like quicker transactions, cost reduction, and decreased fraud risks. Nevertheless, transitioning to a cashless society necessitates addressing challenges such as corruption and the requirement for traceability in financial transactions.

Objectives of The Study

The main objectives of the present study are:

- To identify different methods used in cashless transactions.
- To examine the various challenges and opportunities in a cashless economy.
- To project the perception of rural people on a cashless economy.

Research Methodology

For this study qualitative and quantitative both research methods are used. The data for the present study was collected from primary as well as secondary sources. Primary data was collected through a self-structured questionnaire. A sample size of 86 respondents who are user of cashless transactions from rural areas of Uttarakhand state was taken into consideration. Secondary data was collected through various sources like research journals, government websites, newspaper and annual reports & publications etc.

Data Analysis and Interpretation

Table - 1 : Demographic Profile of Respondents

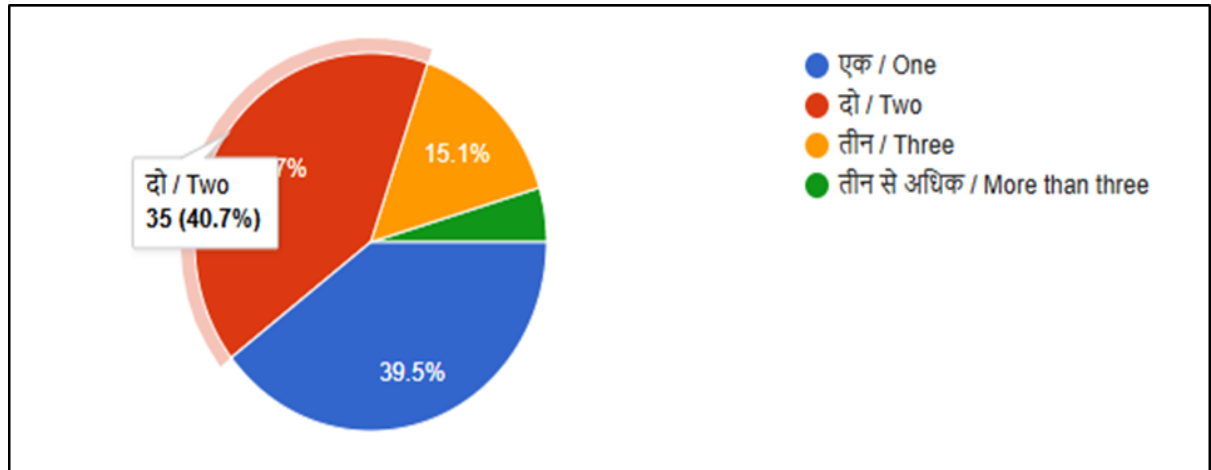
FACTORS	CATEGORY	FREQUENCY	PERCNETAGE
Gender	Male	38	44.2%
	Female	48	55.8%
Age	Below 20 Years	14	16.3%
	21 Years to 30 Years	40	46.5%
	31 Years to 40 Years	26	30.2%

	Above 40 Years	6	7%
Marital Status	Single	58	67.4%
	Married	27	31.4%
	Other	1	1.2%
Educational Qualification	Highschool	2	2.3%
	Intermediate	12	14%
	Graduate	14	16.3%
	Post graduate	44	51.2%
	Professionals	12	14%
	Other	2	2.3%
Occupation	Self-employed	7	8.1%
	Private employee	23	26.7%
	Government employee	5	5.8%
	Students	40	46.5%
	Other	11	12.8%
Monthly family income	Below Rs. 10,000	14	16.3%
	Rs. 10,000 to Rs. 25,000	27	31.4%
	Rs. 25,000 to Rs. 50,000	19	22.1%
	Above Rs. 50,000	26	30.2%
Total		86	100%

Source: Primary data through survey

Interpretation: It is clear from Table-1, most of the respondents are female (55.8%) and among them 46.5 % of respondents in the study belongs to the age group 21 to 30 years followed by 30.2% who belongs to the age group of 31 to 40 years. Majority of respondents are unmarried (67.4%) and majority of 51.2 % of respondents have completed their post-graduation and among these respondents 46.5% of respondents falls in the category of student followed by 26.7% to private employee. 31.4% of respondent's monthly income lies between ₹ 10,000 to ₹ 25,000 followed by 30.2% have more than ₹50,000 as monthly family income.

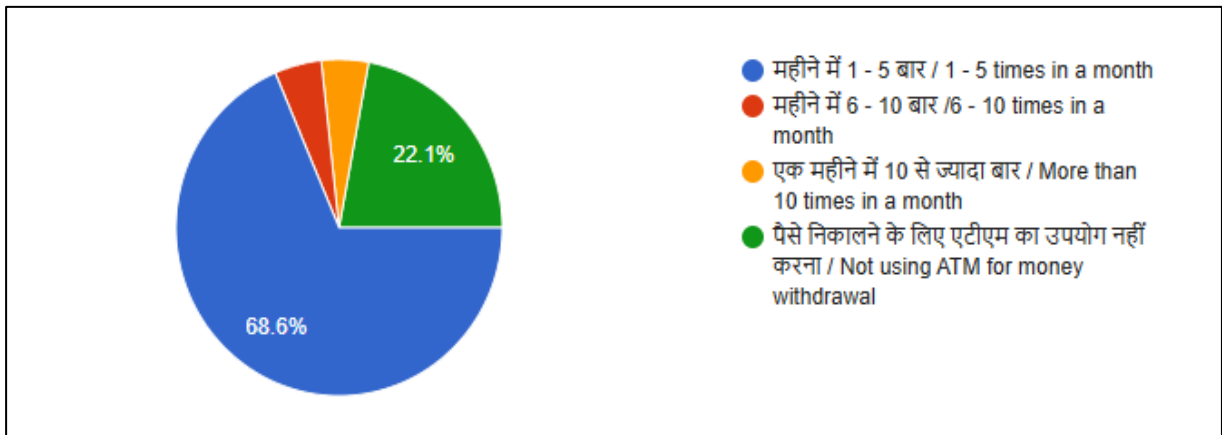
Graph - 1 : Bank Account Holding of Respondents



Source: Primary data through survey

Interpretation: the above graph depicts that 39.5% of respondents have one bank account and most of the respondents, 60.5% have more than one account. This indicates that a significant portion of the respondents prefers to have multiple accounts.

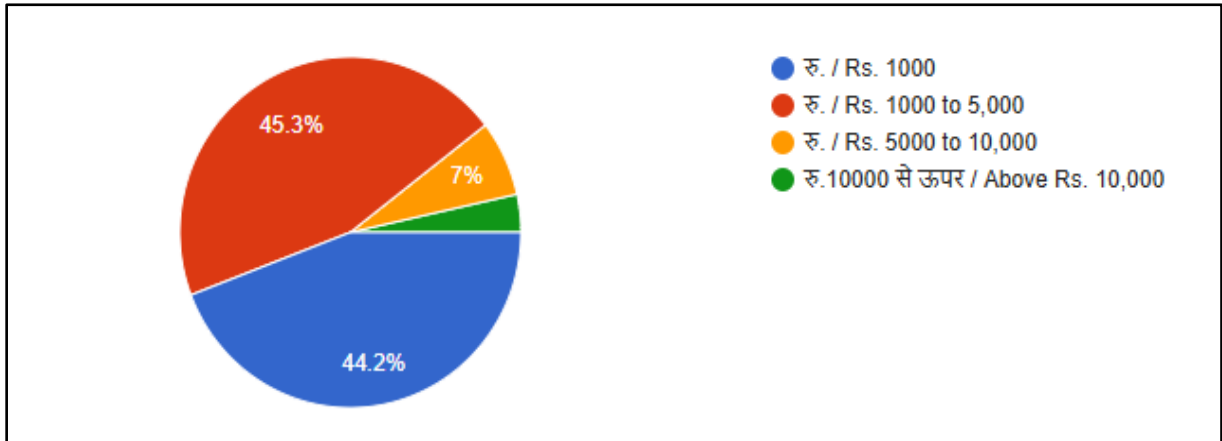
Graph - 2 : Frequency of Cash Withdrawal from ATMs



Source: Primary data through survey

Interpretation: The graph displays the frequency of money withdrawals from ATMs among respondents. It reveals that the majority, 68.6%, withdraw money 1-5 times a month, followed by a less percentage of respondents withdraw money more than 5 times in a month from ATMs. While 22.1% do not withdraw money from ATMs at all. This suggests that a significant portion of respondents rely on ATMs for their cash needs, while a smaller percentage either prefer other methods or have less frequent cash requirements.

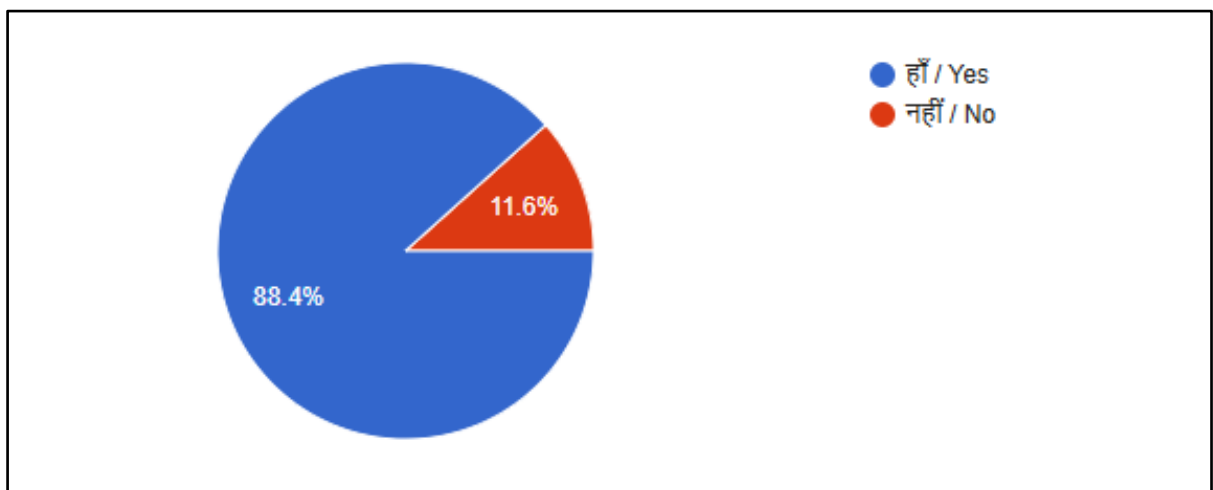
Graph - 3 : Cash holding Among Respondents



Source: Primary data through survey

Interpretation: The graph highlights the distribution of cash holdings among respondents specifically, it indicates that 44.2% of respondents have Rs. 1000 in cash on hand, and 44.3% are having Rs. 1000 to Rs. 5000 in their hand. This suggests that a significant portion of respondents have relatively small amounts of cash in hand, with fewer individuals having larger amounts with them as cash.

Graph - 4 : Awareness Towards Cashless Economy



Source: Primary data through survey

Interpretation: Above chart shows that, there is a high degree of awareness among the rural people about 88.4% of the respondents are aware of introduction of cashless economy in India. As an impact of awareness regarding cashless economy most of the people are using cashless transactions these days.

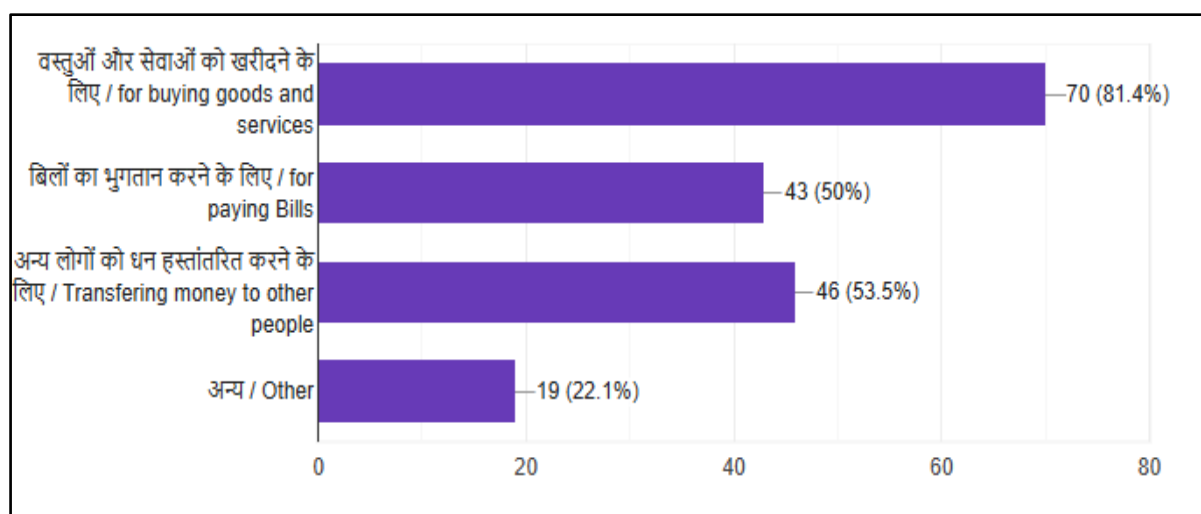
Table - 2 : Frequency of Using Cashless Transactions

Frequency of Cashless Transactions	No. of Reponses	Percentage
Daily	49	57%
Weekly	22	25.6%
Monthly	14	16.3%
Quarterly	1	9.3%
Total	86	100%

Source: Primary data through survey

Interpretation: Table-2 indicates that 57% of respondents carried out cashless transactions daily, 25.6% of respondents using weekly and rest of the respondents are doing cashless transactions monthly and quarterly. It is evident from the data collected that now rural consumers are using cashless transactions frequently to complete their day-to-day requirements.

Graph - 5 : Purpose of Using Cashless Transactions



Source: Primary data through survey

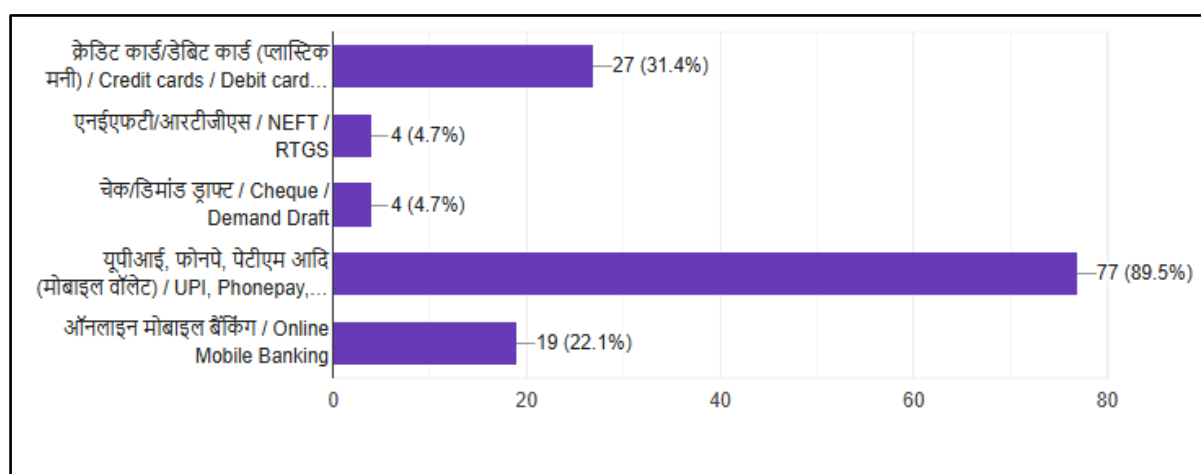
Interpretation: Above chart shows that among all the respondents 53.5% of the respondents use cashless transactions to transfer funds to other people followed by 50% of the respondents used for paying bills and among all of these the majority of the 81.4% of respondents have used cashless transactions for buying goods and services.

Table - 3 : Methods of Cashless Transactions

Methods Available for Cashless Payment	No. of Responses	Percentage
Credit/Debit Cards (Plastic Money)	27	31.4%
NEFT/RTGS	4	4.7%
Cheque/Draft	4	4.7%
UPI (Mobile Wallet)	77	89.5%
Online Mobile Banking	19	22.1%
Total	86	100%

Source: Primary data through survey

Graph - 6 : Methods of Cashless Transactions

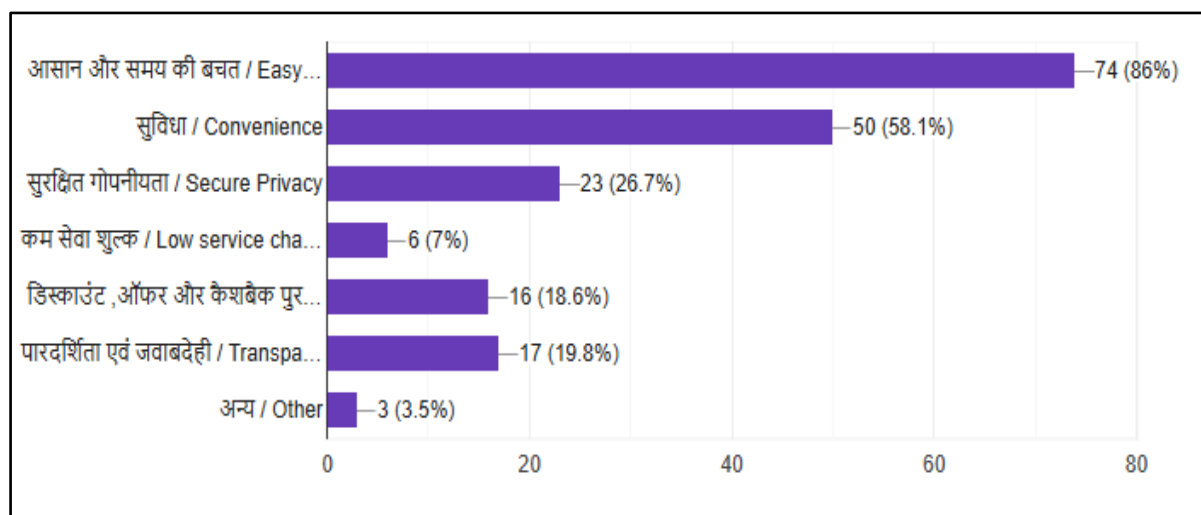


Source: Primary data through survey (Table-3)

Interpretation: It is evident from the above table that out of 86 responses, majority of 89.5% opted UPI (Mobile Wallet) as most favourable method of cashless transaction, followed by 31.4% made through Credit/Debit cards, 22.1% choose Online mobile banking as a method of cashless transaction. This data underscores popularity and widespread acceptance of UPI as a preferred cashless payment method, likely due to its convenience, ease of use, and widespread adoption across various platforms and

services. This shift reflects a broader trend of society’s increasing reliance on cashless payment methods, driven by factors such as technological advancements, convenience, and the desire for greater financial security.

Graph - 7 : Reasons for Adopting Cashless Transactions



Source: Primary data through survey

Interpretation: The diagram above suggests that financial inclusion isn’t the sole reason for transitioning from a cash-based economy to a cashless system; there are additional factors at play. From the data it is evident that majority of 86% respondents found cashless transaction easy and time saving, followed by 58.1% of respondents benefited by convenience, 26.7% of respondents marked cashless transactions safe and secure.

Table - 4 : Monthly Spending through Cashless Methods

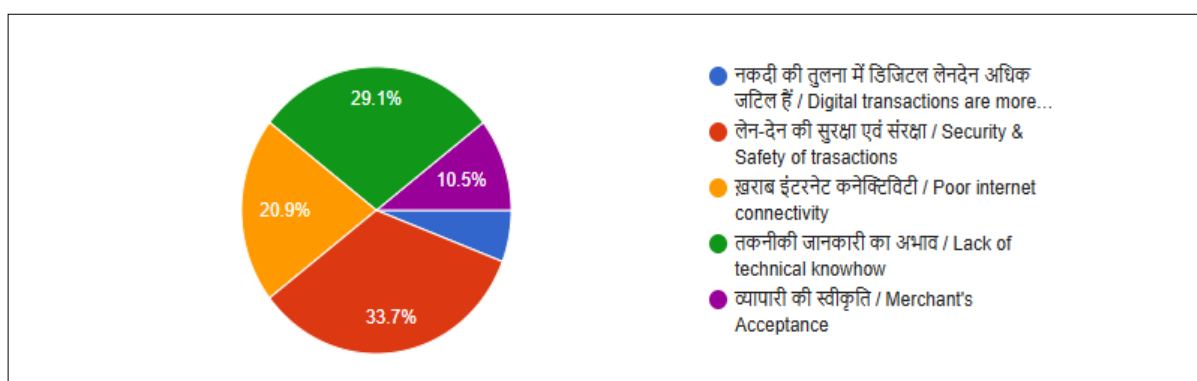
Monthly Spending	No. of Responses	Percentage
0-10%	16	18.6%
10-20%	22	25.6%
20-50%	25	29.1%
More than 50%	23	26.7%
Total	86	100%

Source: Primary data through survey

Interpretation: From the given table-4 it is indicated that, majority of % respondents spend 10% to 50% of their income in a month using cashless method of payments and

rest 26.7% of respondents are spending more than 50% of their transactions through cashless methods. It can be concluded that now people in rural areas are doing their transactions by using cashless method of payment instead of using cash. There is a discernible shift in the behaviour of people in certain areas towards favouring cashless methods of payment over traditional cash transactions. This shift may be influenced by factors such as convenience, security, and the proliferation of digital payment options in the marketplace. Overall, observation implies a notable transformation in how transactions are carried out in these areas, reflecting the evolving landscape of modern payment practices.

Graph - 8 : Major concerns of Moving towards Cashless Transactions



Source: Primary data through survey

Interpretation: Now, people in rural areas also doing transactions digitally and in majority they are willing to switch toward cashless method of transactions. The residents of rural areas are moving towards adopting a cashless society, but concerns about safety & security of transactions, lack of technological knowledge, poor internet connectivity, merchant's acceptance of taking digital transactions related issues still deter them from embracing cashless transactions entirely.

The majority of respondents are in favour of offering awareness programs and training campaigns to educate people about cashless transactions. This indicates a consensus among the surveyed individuals regarding importance of providing information and guidance to promote the adoption of cashless payment methods.

Conclusion

The study indicates that India has a significant distance to cover before achieving a cashless economy. Success in this vision relies on widespread adoption of cashless

transactions across the nation. Following the footsteps of developed countries, India must take essential measures to transition its economy towards cashless. The findings suggest that UPI payments are the preferred method among rural populations for cashless transactions, followed by credit/debit cards, mobile banking etc.

Cashless transactions offer numerous advantages, including convenience, efficiency, security, low service charges, discounts, cashback offers, transparency and accountability. However, they also present challenges such as transaction security, poor internet connectivity, and limited technological literacy. A significant segment of the population resides in rural areas with lower literacy rates. It's imperative for the government to conduct regular financial literacy campaigns to educate the populace about the advantages of cashless transactions. Furthermore, substantial infrastructure development is necessary to realize the vision of digitalization. Despite these obstacles, it's imperative for the government to prioritize digitalization efforts to ensure universal access to cashless transactions for all individuals.

As a rapidly advancing nation, India possesses substantial potential for growth. Currently, there's a notable shift in people's attitudes towards digital transactions. Research indicates that a significant portion of rural residents is familiar with and actively engaging in cashless transactions.

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INVESTOR'S AWARENESS OF KISAN VIKAS PATRA: A STUDY WITH SPECIAL REFERENCE TO REWARI DISTRICT OF HARYANA

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Abstract

This study investigates investor awareness of the Kisan Vikas Patra (KVP) scheme in the Rewari district of Haryana, focusing on several critical aspects such as interest rates, minimum investment requirements, investment durations, maturity periods, and options for partial withdrawals. Utilizing a descriptive research design, this study gathered data from 90 respondents through structured questionnaires, supplemented by secondary sources like published articles and regulatory documents. A comprehensive statistical analysis using chi-square assessed the differences in awareness between male and female investors across various aspects of KVP. The findings revealed significant gender differences in the understanding of KVP's financial terms and conditions, as indicated by all p-values, leading to the acceptance of all alternative hypotheses. This suggests that the dissemination of information and educational efforts regarding the KVP have not reached both genders effectively in the targeted region. The results underscore the importance of ongoing financial literacy programs that are accessible and effective for all community members, regardless of gender, ensuring equitable knowledge about such government savings schemes.

Keywords: Awareness, Investor, Interest Rates, Post office, Kisan Vikas Patra

Introduction

There were just a few banks at the start of the 19th century, and they were concentrated in major cities and towns. It was difficult for the common person to save his modest quantity of money in the bank since he had to spend expenses for his journey to the bank. Furthermore, people had almost no savings habits, and the majority of them kept their little holdings in the form of gold and silver. The Secretary of State for India took initiatives in 1860 to give post officers the authority to run savings banks in India that are comparable to those in the United Kingdom. However, the government lacked the organizational structure and maturity to handle this kind of banking. India Post is dedicated to offering affordable, basic postal services across the nation. This dedication is demonstrated by the nation's 0.159 million post offices, the largest in the world, of which more than 0.143 million are located in rural areas.

The modern Indian postal system reaches from the frigid heights of Ladakh to the deserts of Rajasthan and Kutch. At 15,500 feet, Sikkim, India is home to the highest post office in the world (postal code: 172114). Among the various services offered by the Indian Postal Service, including parcel post, speed post, e-post, general or registered mail, and EMS speed post, a specialized courier service. Additionally, they provide many post office savings schemes, including term deposits, KVP, recurring deposits, and National Savings Certificates (NSC). In the current era of rapidly advancing information and communications technology, extensive induction and assimilation are essential to India Post's survival and expansion. People's saving behavior will be significantly impacted by investors' perceptions of savings schemes.

In 1988, India Post launched the Kisan Vikas Patra, a modest savings certificate scheme. The primary objective is to help people develop long-term financial discipline. The scheme's tenure is currently 115 months (9 years and 5 months) according to the most latest report. There is no upper restriction on the minimum investment amount of Rs. 1,000. Additionally, at the end of the 115th month, you can receive twice as much if you invest a lump sum amount immediately. The name comes from the fact that its original purpose was to help farmers store money for the future. It is now accessible to everyone. The government demanded PAN card proof for investments above Rs. 50,000 in 2014 to prevent the potential for money laundering. Investors must provide proof of income (pay slips, bank statements, ITR paperwork, etc.) to deposit more than

Rs. 10 lakh. Anyone can deposit money on this low-risk savings site and leave it there for a predetermined amount of time. In addition, the Aadhaar number must be provided as verification of the account holder's identity.

Interest Rate Of Kisan Vikas Patra

Financial Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
April-June	7.6 % (mature 113 months)	7.3 % (mature 118 months)	7.7 % (mature 112 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)
July-September	7.5 % (mature 115 months)	7.3 % (mature 118 months)	7.6 % (mature 112 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)
October-December	7.5 % (mature 115 months)	7.7 % (mature 112 months)	7.6 % (mature 113 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)	7.0 % (mature 123 months)
January-March	7.3 % (mature 118 months)	7.7 % (mature 112 months)	7.6 % (mature 113 months)	6.9 % (mature 124 months)	6.9 % (mature 124 months)	7.2 % (mature 120 months)

Sources: <https://cleartax.in/s/kisan-vikas-patra>

Types of certificates available in Kisan Vikas Patra

- **Single Holder Certificate:** A mature person may receive this kind of certificate for themselves, for an adult, or on behalf of a minor.
- **Joint 'A' Certificate:** This kind of certificate is jointly given to two adults and can be paid to the survivor or both holders.
- **Joint 'B' Certificate:** This kind of certificate is jointly given to two persons and can be paid to the survivor or either of the holders.

Benefits of Investor in Kisan Vikas Patra

- **Ease & affordability**

KVP is offered for investment in denominations of Rs. 1,000, Rs. 5000, Rs. 10,000, and Rs. 50,000. The maximum is not applicable. Be mindful and aware that the main post office of the town is the sole location where a denomination of Rs. 50,000 is accessible.

- **Guaranteed returns**

It's guaranteed the money, regardless of fluctuations in the market. Since the rural community was the primary people for this scheme first of all, encouraging them to save for unexpected expenses was of the highest priority.

- **Maturity**

Kisan Vikas Patra has a maturity period of 115 months, after which you can withdraw the corpus. The KVP maturity proceeds will continue to accumulate interest until you remove the funds.

- **Capital protection**

Investments made in this way are risk-free from the market. When the tenure finishes, you will get your money back plus any gains.

- **Interest**

An effective interest rate is determined by how many years you invested in Kisan Vikas Patra at the time of purchase. The current interest rate for the first quarter of the fiscal year 2024-2025, which begins on April 1, 2023, and ends on June 30, 2024, is 7.5% per year. Compounding interest yields bigger returns on your investment.

- **Taxation**

Investments made in KVP are not deductible under Section 80C, and interest income is subject to full taxation. Every year, 10% TDS is withheld from the interest that is credited. Since the principal and interest must be repaid (which is already taxed at the time of accrual each year), the maturity proceeds are likewise not subject to taxes.

Review of Literature

S.No	Title of the paper	Author Name/ year	Findings
1	<p align="center">Investors' Perceptions About Kisan Vikas Patra(KVP): Evidence From Agratala</p>	<p align="center">Rajat Deb & Abhijit Paul (2015)</p>	<p>The findings suggest that investing in KVP is motivated by many parameters, including security, flexibility, investment and maturity in cash, adequate return, confidentiality of income sources, and Permanent Account Number (PAN). It outlines the need for changes to many concerns, including granting tax benefits, shortening the maturity period, and streamlining provisions for e-certificates and e-investments. The study admits very few shortcomings as well.</p>
2	<p align="center">Role of Post Office in Channelizing Small Savings in Rural Areas</p>	<p align="center">Dr. Bhagyashree Teli & Prof. P.K. Singh (2017)</p>	<p>The study's findings indicate that while rural investors are mainly satisfied with these savings schemes, those who have made investments are very happy with their funds. There are no other sources of information in these places, therefore a large number of individuals learn about these savings schemes through their friends and family.</p>
3	<p align="center">Small investors' perceptions of post office small saving scheme</p>	<p align="center">Karthikeyan (2001)</p>	<p>It was found that the four age groups differed significantly in their level of awareness regarding Kisan Vikas Patra (KVP). National Savings Schemes (NSS), and Deposit Scheme for Retired Employees (DSRE). Additionally, the overall score supported the notion that</p>

			older investors had a higher level of awareness than younger investors. Except for the NSS and KVP, there was no difference seen between male and female investors.
4	Investor's Perception Towards Post Office Small Savings Schemes: A Case Study of Himachal Pradesh	Mohinder Singh(2018)	An analysis of investor's attitudes regarding post office savings schemes has been attempted in this research. A survey conducted on 140 respondents from three districts in Himachal Pradesh found that the post office schemes are primarily preferred by the salaried class of society because they offer tax incentives and safe and secure returns guaranteed by the government. The Primary investing options include Post Office Monthly Income Schemes, Post Office Saving Bank accounts, and Recurring Deposits. The primary sources of knowledge for investing are friends and family. Reductions in interest rates, insufficient marketing, inadequate hospitality. Sluggish automation and so on is the primary causes cause of the reduction in post office small savings initiative net collections.

Objective of study

The objective of the study is to understand the awareness of the Kisan Vikas Patra scheme, focusing on the rate of interest, minimum investment requirements, investment duration, maturity period, and options for partial withdrawals.

Hypothesis of study

H₀₁: There is a significant difference between the awareness of males and females on the Rate of interest.

H₀₂: There is a significant difference between the awareness of males and females on the Minimum required amount.

H₀₃: There is a significant difference between the awareness of males and females during the Investment Period.

H₀₄: There is a significant difference between the awareness of males and females during the Maturity period.

H₀₅: There is a significant difference between the awareness of males and females on Availability Partial withdrawal.

Methodology

The research design adopted in the study was descriptive. This research is carried out by reviewing the literature available on the subject. The researcher has gone through published articles in journals and newspapers, policy frameworks, rules and regulations, surveys and studies conducted by regulatory authorities, other professional bodies, and research papers carried out in the past by other scholars also considered. The sample was supposed to be drawn in Rewari district of Haryana State. It is mainly based on primary and secondary data. Primary data was collected through a structured questionnaire. The questionnaire was circulated among 100 respondents and 94 were collected, of which 4 were found to be incomplete. The sample of 90 respondents included those investors who have invested or have any time invested in Kisan Vikas Patra.

Statistical tools for data analysis

The purpose of the study is to assess the awareness of the investors in KVP of Rewari district of Haryana. The data collected through scheduled and personal interviews have been further processed by using IBM SPSS-20. The statistical tools used for data analysis are descriptive statistics and the chi-square test.

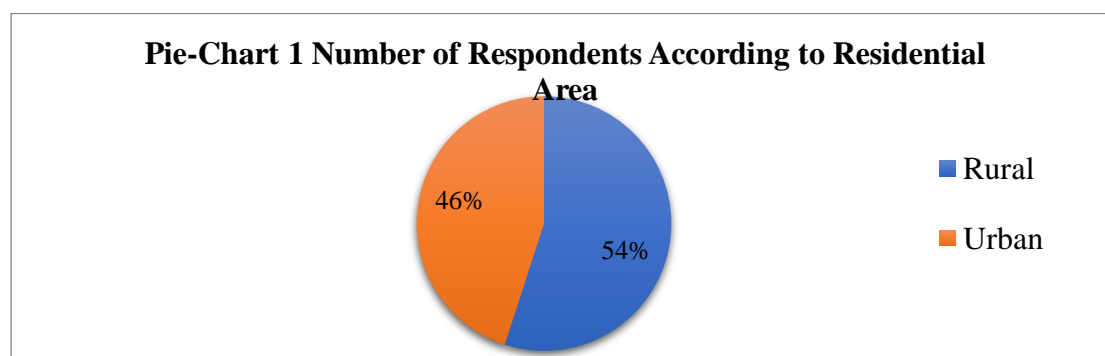
Data Analysis

Classifications of Respondents According to Residential Area

Residence refers to the place where a person lives. On this basis area of residence is divided into two groups Urban and Rural.

Factor	Response	Frequency	Percentage
Area of Residence	Rural	49	54%
	Urban	41	46%
	Total	90	100%

Source: Primary Data



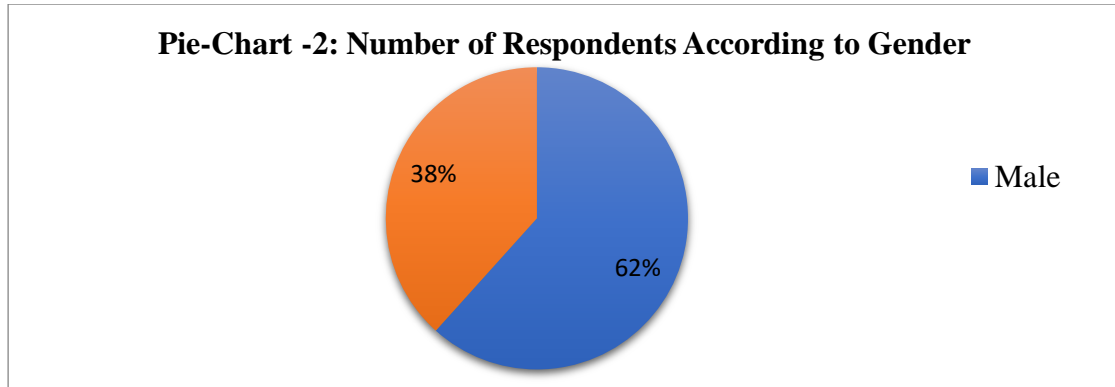
Source: Primary Data

The above table and chart depict the details of respondents living in Rural and Urban areas. Out of a total of 90 respondents 49 are residing in the Rural area and 41 are residing in the Urban area.

The primary data collection was made from Male and Female respondents

Factor	Response	Frequency	Percentage
Area of Residence	Male	56	62%
	Female	34	38%
	Total	90	100%

Source: Primary Data



Source: Primary Data

The table and chart present the gender-wise details of the respondents. Out of 90 respondents, 56 are Male and 34 are Female.

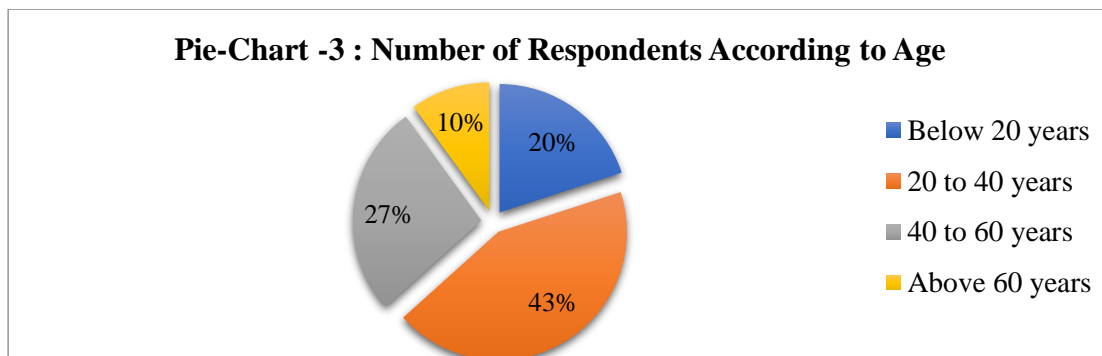
Classifications According to Age

With growing age efficiency of a person increases and after attaining its peak his competence goes on diminishing. People’s awareness and saving perception also rise with growing age. Hence, age is an important factor in determining the cognizance of people.

Table 3: Respondents According to Age

Factor	Response	Frequency	Percentage
Age-Group	Below 20 years	18	20%
	20 to 40 years	39	43%
	40 to 60 years	24	27%
	Above 60 years	9	10%
	TOTAL	90	100%

Source: Primary Data



Source: Primary Data

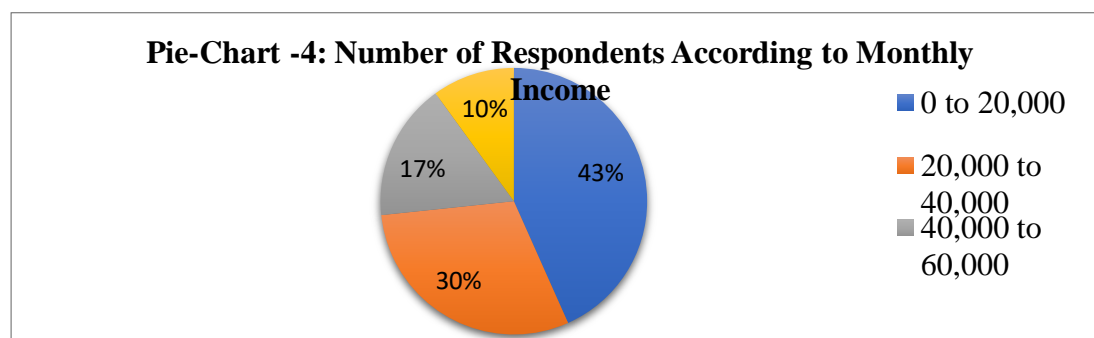
The above table and chart signify the Age-group-wise details of the respondents. From the total 90 respondents, 18 belong to the age group of below 20 years, 39 comprise the youth population between the age group of 20-40 years, 24 belong to the age group of 40-60 years and the remaining 9 belong to the Senior citizens category i.e. above 60 years.

Classifications According to Income

The types of savings, purpose, and amount of investment are mainly based on the income level of people. The savings of people have a direct relation with their earnings. More earnings may lead to a high rate of savings and investments and vice versa.

Table 4: Respondents According to Monthly Income			
Factor	Response	Frequency	Percentage
INCOME	0 to 20,000	39	43%
	20,000 to 40,000	27	30%
	40,000 to 60,000	15	17%
	60,000 ABOVE	9	10%
	TOTAL	90	100%

Source: Primary Data



Source: Primary Data

The information given in the table and chart sorts the respondents according to their earnings. Out of 90 respondents 39 belong to the income category below 20,000 rupees, 27 belong to the income category of 20,000-40,000 rupees, 15 belong to the income category of 40,000-60,000 rupees and 9 belong to the income category of 60,000 and above.

Hypothesis Testing

		Test	Value	df	P-value	Decision
H ₁	The significant difference between the awareness levels of male and female respondents	Pearson Chi-Square	6.889	1	.009	Retain the Alternative Hypothesis
H ₂	The significant difference between the awareness levels of male and female respondents	Pearson Chi-Square	19.289	1	.000	Retain the Alternative Hypothesis
H ₃	The significant difference between the awareness levels of male and female respondents	Pearson Chi-Square	6.397	1	.011	Retain the Alternative Hypothesis
H ₄	The significant difference between the awareness levels of male and female respondents	Pearson Chi-Square	8.297	1	.004	Retain the Alternative Hypothesis
H ₅	The significant difference between the awareness levels of male and female respondents	Pearson Chi-Square	6.319	1	.021	Retain the Alternative Hypothesis

The table shows the awareness level of recurring deposit schemes. For the analysis of respondent opinion, the Pearson Chi-Square test has been testing has been applied to test the relationship between the awareness levels of investors across genders. The result of the Pearson Chi-Square test found that rate of interest; minimum required amount, investment duration, maturity period and options for partial withdrawals were significant. The results of the findings have been explained in the following:

- The awareness of Male and Female respondents on Rate of interest, Chi-square value is 6.889 and P value = .009 shows that there is a significant difference between the awareness level of male and female respondents.
- The awareness of Male and Female respondents on minimum required amount, Chi-square value is 19.289, P value = .000 shows that there is a significant difference between the awareness level of male and female respondents.

- The awareness of Male and Female respondents on investment duration, Chi-square value is 6.397, P value = .011 shows that there is a significant difference between the awareness level of male and female respondents.
- The awareness of Male and Female respondents on maturity period, Chi-square value is 8.297, P value = .004 shows that there is a significant difference between the awareness level of male and female respondents.
- The awareness of Male and Female respondents on options for partial withdrawals, Chi-square value is 6.319, P value = .021 shows that there is a significant difference between the awareness level of male and female respondents.

Finding & Conclusion

The findings indicated significant differences between males and females in their awareness of the rate of interest, minimum required amount, investment period, maturity period, or availability of partial withdrawals, as all p-values not exceeding the 0.05 threshold, leading to acceptance of all alternative hypotheses. Using a schedule and in-person interviews, several non-probability sampling strategies are used to select 90 respondents. Pre-testing and reliability testing (Cronbach's Alpha) have been used to assess the validity of the interview schedule.

In conclusion, the study underscores that gender influences the level of awareness regarding the Kisan Vikas Patra scheme in the examined demographic. This suggests that educational efforts and communications about the KVP have been not equally effective across gender lines in this region. The study highlights the importance of targeted financial literacy programs that ensure all potential investors, regardless of gender, are well-informed about such investment schemes. The respondents have been encouraged to keep their money in KVP by many considerations, including safety, liquidity, ease of investment, satisfying return, confidentiality of income sources, utilizing KVP certificate as collateral for loans, and disbursing maturity proceeds in cash. Additionally, it shows that certain things need to be changed, such as permitting tax benefits, shortening the maturity period, streamlining KYC requirements, raising the rate of return, and including e-certificate availability.

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STUDY FOREIGN DIRECT INVESTMENT (FDI) IN INFORMATION & TECHNOLOGY (IT) AND ITeS SECTOR IN INDIA

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Abstract

Foreign Direct Investment (FDI) serves as a crucial driver for India's economic development. This paper explores the transformative impact of Foreign Direct Investment (FDI) on the Information Technology (IT) and Information technology-enabled services (ITeS) sector in India, focusing on growth, expansion, and key indicators that have shaped the sector's evolution. With a comprehensive analysis of statistical evidence, the study highlights how the IT and ITeS sector has become one of the top recipients of FDI, attracting significant investments that have propelled the sector's global presence and contributions to India's economic landscape. The liberalization of FDI policies and government initiatives, such as 'Digital India,' has further enhanced the sector's attractiveness, facilitating a vibrant startup ecosystem and driving technological advancements and R&D. The paper underscores the sector's critical role in employment generation, with FDI inflows creating vast opportunities within and beyond the sector. The study concludes that FDI has been pivotal in enabling the IT and ITeS sector's growth trajectory, contributing significantly to India's GDP, export earnings, and global IT standing while fostering innovation and strategic global integration.

Keywords: IT, ITeS, GDP, liberalization

Introduction

In the era of globalization, Information Technology (IT) has emerged as a key driver of economic growth, productivity enhancement, and societal development. India, with its burgeoning IT industry, has become a global hub for software services, IT outsourcing,

and innovation. The role of Foreign Direct Investment (FDI) in shaping the trajectory of India's IT sector has been pivotal. This essay delves into the significance of FDI in India's IT industry, examining its impact on economic development, technological advancement, and international competitiveness.

India's IT industry has witnessed exponential growth since the 1990s, fueled by various factors including a large pool of skilled workforce, favorable government policies, and robust infrastructure. FDI has played a crucial role in catalyzing this growth by infusing capital, technology, and managerial expertise. According to the Department for Promotion of Industry and Internal Trade (DPIIT), India attracted USD 9.49 billion in FDI inflows in the computer software and hardware sector between April 2000 and June 2021 (DPIIT, 2021).

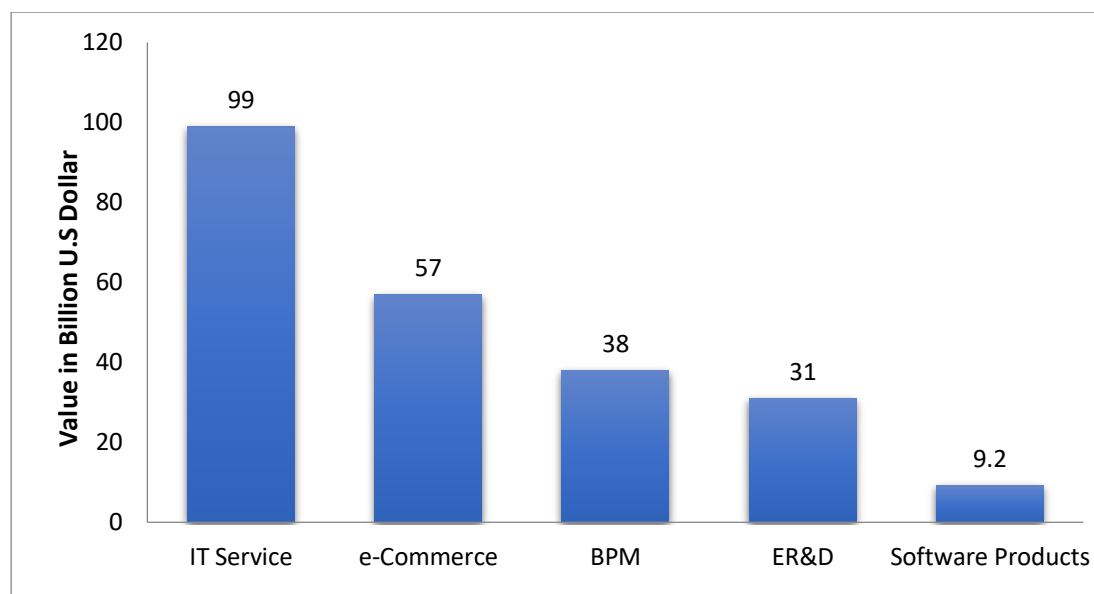
One of the primary drivers of FDI in India's IT sector is the country's competitive advantage in providing cost-effective IT solutions and services. Multinational corporations (MNCs) view India as an attractive destination for outsourcing software development, IT support, and business process outsourcing (BPO) due to its skilled workforce and lower operational costs compared to developed nations. Companies like IBM, Accenture, and Microsoft have established their presence in India, leveraging the abundant talent pool and conducive business environment.

The role of government policies in attracting and facilitating FDI in the IT sector cannot be overstated. India has implemented several reforms to liberalize FDI regulations, streamline approval processes, and create a conducive business environment. The introduction of initiatives such as 'Make in India', 'Digital India', and 'Startup India' has further incentivized foreign investment in IT and related sectors. Additionally, measures like tax incentives simplified regulatory frameworks, and infrastructure development have bolstered investor confidence and encouraged long-term commitments.

Despite the positive contributions of FDI, challenges persist in harnessing its full potential for India's IT sector. Issues such as infrastructure gaps, regulatory bottlenecks, and skill shortages need to be addressed to sustain the momentum of growth and innovation. Moreover, concerns regarding data security, intellectual

property rights (IPR) protection, and geopolitical uncertainties pose risks to foreign investors, necessitating proactive measures by policymakers.

Market Size of IT Industry in India in Financial Year 2021, by Sector



Source: Statista

IT services with 99 billion U.S. dollars had the largest market size among the various sectors of the Indian IT market in fiscal year 2021. The total market size of the Indian IT market, including eCommerce, is 235 billion U.S. dollars. This did not include the hardware sector. On a year-over-year basis, the market grew by over two percent in fiscal year 2021.

Literature Review

(Lal, 2000) investigated how the institutional environment influences the growth of India's IT industry, highlighting that FDI policies have not effectively drawn the anticipated levels of foreign investment critical for sectors like IT hardware manufacturing. Transitional economies like India seek FDI for capital, technology, international market access, and managerial expertise. Foreign direct investment (FDI) is attracted into transitional economies like India for reasons like capital, technology, international markets, and managerial skills. (Kuntluru et. al., 2008) analyzed the effect of foreign ownership on the financial performance of Indian firms over time. (Goel et. al., 2012) provide information about the growth of the retailing industry

in India and the need for FDI. Information technology and business process outsourcing are among the fastest-growing sectors in terms of services export. FDI is widely viewed as being one of the principal vehicles for the international transfer of technology. FDI increases productive capital stock, and technological growth, and facilitates the transfer of managerial skills, besides improving global market access. **(Kumar et. al., 2013)** the paper examines empirically the role of FDI on services export using econometric tools. The Service sector has emerged as the largest and fastest growing sector in the global economy in the last two decades, providing more than 60 percent of global output and, in many countries, an even larger share of employment. **(Khachoo et. al., 2016)** explored how FDI influences innovation within India's manufacturing sector, utilizing industry-specific FDI data and national input-output tables to assess intra- and inter-industry spillover effects on innovation. By employing data on FDI by industry and merging it with information on time-variant buyer-supplier linkages obtained from a series of national input–outputs tables **(Khachoo et. al., 2016)** develop intra-industry and inter-industry measures to capture the effects of FDI on innovation performance of the incumbent firms' active in the same sector as the MNC and in upstream and downstream sectors. **(Irfan et. al. 2021)** examined the influence of macroeconomic variables on the Islamic stock markets of India and Indonesia, suggesting that enhanced bilateral trade and investment could significantly benefit sectors like health, automotive, IT, agriculture, and tourism. **(Nayak et. al. 2021)** assessed the combined impact of FDI inflow and ICT on India's economic performance from 1991 to 2019, finding significant positive effects of ICT infrastructure on leveraging FDI benefits. Additional noteworthy contributions include research by **Baral (2013)**, **Adhikari (2018)**, and **(Kishore et. al. 2020)** each providing insights into various aspects of FDI's role in India's economic landscape.

Objective

The objective of the paper is to study the growth, expansion, and key indicators that have shaped the evolution of the IT and ITeS sector of India

Growth of FDI Inflows in IT and ITeS Sector

The IT and ITeS (Information Technology Enabled Services) sector in India has consistently been one of the top recipients of FDI. According to the Department of

Industrial Policy and Promotion (DIPP), the computer software and hardware sector attracted significant FDI, amounting to billions of USD over the years. For instance, the period from April 2000 to March 2020 saw the sector receiving approximately \$44.91 billion in FDI, marking it as one of the top sectors.

In the fiscal year 2023, the Information Technology and IT-enabled Services (IT and ITeS) sector in India witnessed substantial Foreign Direct Investment (FDI) inflows, underscoring the sector's vital role in attracting foreign investments. The computer software and hardware segment emerged as the top recipient within this sector, securing investments worth approximately \$9.39 billion. This figure is part of the broader FDI inflows to India, which amounted to \$70.97 billion during the same fiscal year, showcasing a slight decrease from the \$84.83 billion recorded in FY 2022. Despite this, the sustained interest from foreign investors in multiple sectors, particularly IT and ITeS, highlights the sector's continued attractiveness and potential for growth.

The FDI reforms and liberalization efforts by the Indian government have been pivotal in making the country one of the most attractive destinations for FDI globally. Notably, the financial year 2021-22 saw the highest-ever annual FDI inflow to India, reaching \$85 billion, with the IT and ITeS sectors playing a significant role in this achievement. This reflects the government's success in creating an investor-friendly environment, contributing to a substantial increase in FDI inflow over the years. By the financial year 2023-24, India had reported FDI worth \$33 billion up to September 2023, continuing to signal strong investor confidence in the Indian market.

FDI equity inflow in IT & ITeS Sector from April 2000 to December 2023

S.No.	Sector	Amount of FDI		% out of Total FDI Equity inflow (in USD terms)
		(In INR Crore)	(In UDS Million)	
1	Computer Software & Hardware	681028.76	98328.76	14.75
2	Telecommunications	234751.93	39315.20	5.9
3	Information & Broadcasting (including print media)	68961.57	10917.94	1.64

Source: DPIIT

From April 2000 to December 2023, The Computer Software & Hardware sector leads with a significant FDI of 681,028.76 crore INR (98,328.76 million USD), accounting for 14.75% of the total FDI equity inflow, marking it as the top recipient. The Telecommunications sector follows with an FDI inflow of 234,751.93 crore INR (39,315.20 million USD), making up 5.9% of the total. The Information & Broadcasting sector, which includes Print Media, received the least FDI among the three, with 68,961.57 crore INR (10,917.94 million USD), contributing to 1.64% of the total FDI equity inflow.

Expansion and Global Footprint

The expansion and global footprint of the IT and IT-enabled Services (ITeS) sector in India, bolstered by Foreign Direct Investment (FDI) inflows, reflects India's growing significance as a global IT hub. This expansion is characterized by several key developments:

- **Enhanced Global Presence of Indian IT Firms:** Indian IT companies have significantly expanded their global presence, establishing subsidiaries and delivery centers across the world. This global expansion has been facilitated by FDI, enabling these companies to acquire foreign firms, access new markets, and tap into a global talent pool. The strategic global footprint of Indian IT firms has not only diversified their market reach but also enhanced their service offerings.
- **Attracting Global IT Giants to India:** The liberalized FDI regime has made India an attractive destination for multinational IT corporations to set up their operations, including R&D centers, innovation labs, and service delivery units. Companies from the USA, Europe, and other parts of Asia have significantly invested in India, drawn by its large pool of skilled IT professionals, competitive cost advantages, and supportive government policies.
- **Growth in Exports:** The IT and ITeS sector is one of India's largest export earners. FDI has played a crucial role in this context by enabling the sector to scale up its operations and deliver IT services and software solutions globally. The availability of foreign capital has also helped Indian companies invest in cutting-edge technologies, thereby improving their competitiveness on the global stage.

- **Contribution to India's Economy:** The IT and ITeS sector's expansion has had a significant positive impact on India's GDP and employment. It has contributed to creating millions of jobs, both directly and indirectly, and has spurred growth in ancillary industries such as real estate, hospitality, and transportation.
- **Startup Ecosystem and Innovation:** India's startup ecosystem, particularly in tech and digital sectors, has thrived with FDI inflows. Many startups have grown to become unicorns (startups valued at over \$1 billion), thanks to access to foreign capital, mentorship, and markets. This has not only fostered innovation within India but has also positioned Indian startups on the global map.
- **Policy Initiatives:** The Indian government's proactive policy measures, such as the 'Digital India' initiative and the simplification of FDI norms, have further encouraged foreign investors. Special Economic Zones (SEZs) and technology parks offer various incentives and state-of-the-art infrastructure, making India an even more attractive destination for FDI in IT and ITeS.

Employment Generation

The IT sector has been a major employment generator in India. By 2020, the sector employed around 4.36 million people directly, with indirect employment impacting a significantly larger number. Foreign Direct Investment (FDI) inflows in the Information Technology (IT) and IT-enabled Services (ITeS) sector in India have been significant contributors to employment generation in the country. Here's how FDI in the IT and ITeS sector has fueled job creation:

- **Direct Employment Opportunities:** FDI inflows have directly led to the creation of a vast number of job opportunities within the IT and ITeS sector itself. Multinational corporations (MNCs) and Indian IT companies alike have expanded their operations in India, setting up offices, development centers, and service delivery units. These expansions require a skilled workforce, leading to the hiring of software engineers, developers, analysts, project managers, and various other IT professionals.
- **Supporting the Gig Economy:** FDI-driven growth in the IT sector has also fostered the gig economy by creating opportunities for freelancers, consultants,

and independent contractors. Platforms for freelance work, such as software development, graphic design, and digital marketing, have flourished, providing flexible employment options for individuals with specialized skills.

- **Stimulating Entrepreneurship:** The influx of FDI into the IT and ITeS sector has stimulated entrepreneurship in India. As the sector grows, it creates a conducive ecosystem for startups and innovation. Many IT professionals, inspired by the industry's growth and supported by access to funding and mentorship, have ventured into entrepreneurship, creating new companies and job opportunities.
- **Regional Development:** FDI inflows in the IT sector have not been confined to metropolitan cities but have also spread to tier-II and tier-III cities across India. This decentralization of IT hubs has contributed to regional development and employment generation in smaller urban centers and rural areas, reducing regional disparities.
- **Skill Development and Training:** To meet the demands of the growing IT sector, there has been a focus on skill development and training initiatives. FDI-backed IT companies often invest in training programs to upskill and reskill their workforce, thereby enhancing employability and contributing to human capital development in India.
- **Government Initiatives:** The Indian government has introduced various initiatives to promote employment in the IT sector, including skill development programs, incentives for job creation, and policies to attract foreign investment. These initiatives complement FDI inflows, further boosting employment opportunities in the IT and ITeS sectors.

Start-up Ecosystem Boost

India has emerged as a vibrant start-up ecosystem, supported by both domestic and foreign investments. With over 50,000 startups in India by 2020, the country has seen a steady rise in tech start-ups, including a significant number of unicorns, especially in sectors like e-commerce, fintech, and SaaS (Software as a Service). FDI reforms have facilitated this by easing investment flows into innovative ventures. The boost to the start-up ecosystem in India, particularly in the Information Technology (IT) and IT-enabled Services (ITeS) sectors, driven by Foreign Direct Investment (FDI) inflows, is

a testament to the country's evolving innovation and entrepreneurship landscape. The impact of FDI on the start-up ecosystem in these sectors can be dissected into several key areas:

Foreign Direct Investment (FDI) has significantly impacted the startup ecosystem in sectors such as IT and ITeS in India by facilitating access to capital, which enables startups to scale operations, enhance technology, and expand market reach. This infusion of capital not only accelerates growth but also attracts domestic investments, fostering a cycle of investment and expansion. FDI also provides startups with global exposure and networks, essential for competing internationally. Moreover, foreign investments support technology transfer and innovation, boosting competitiveness within the startup ecosystem. Association with reputable foreign investors boosts a startup's credibility, which is crucial for attracting talent, securing further funding, and forming partnerships. Additionally, the Indian government supports this dynamic through initiatives like the 'Start-up India' campaign, which simplifies FDI norms and offers tax benefits, thus enhancing the business environment for startups. Ultimately, FDI contributes to job creation and economic growth, reinforcing India's position as a global leader in technology and innovation.

Infrastructure Development

The infrastructure development in the IT and ITeS (Information Technology Enabled Services) sector in India, spurred by Foreign Direct Investment (FDI) inflows, has been a cornerstone of the sector's global competitiveness and rapid growth. The development and expansion of physical and digital infrastructure have enabled India to position itself as a leading destination for IT and ITeS, attracting significant foreign investments. Here's how FDI has contributed to infrastructure development in this sector:

- **Special Economic Zones (SEZs) and IT Parks**

One of the most significant impacts of FDI has been the development of Special Economic Zones (SEZs) and dedicated IT parks across India. These zones are designed to offer a conducive business environment with state-of-the-art infrastructure, tax incentives, streamlined regulations, and high-speed internet connectivity. SEZs and IT parks have not only attracted foreign IT companies to set up their operations in India but have also encouraged domestic companies

to expand their facilities, thereby boosting the overall infrastructure development in the sector.

- **High-Speed Internet and Connectivity**

FDI has also played a crucial role in enhancing India's digital infrastructure, particularly in improving internet speed and connectivity. Investments in telecommunications and broadband services have been crucial for the IT and ITeS sectors, enabling seamless global communication, data exchange, and remote services delivery. The expansion of 4G networks and the ongoing rollout of 5G technology are expected to further revolutionize the sector, opening up new avenues for innovation and service delivery.

- **Data Centers and Cloud Infrastructure**

With the increasing reliance on cloud computing and data storage, there has been a surge in the development of data centers in India. Foreign investments have been instrumental in setting up state-of-the-art data centers and cloud infrastructure, providing secure and scalable solutions for IT and ITeS companies. These facilities not only support the sector's growing data storage needs but also enhance data security and operational efficiency.

- **Research and Development (R&D) Centers**

FDI has encouraged the establishment of R&D centers by multinational corporations in India. These centers focus on innovation and development of new technologies, software solutions, and IT services. The presence of R&D centers contributes to the sector's infrastructure by fostering a culture of innovation, skill development, and knowledge exchange.

- **Skill Development and Training Centers**

Investments in the IT and ITeS sector have also led to the establishment of skill development and training centers. These centers aim to enhance the workforce's skills in emerging technologies, software development, and service delivery standards. By focusing on skill development, the sector ensures a steady supply of skilled professionals, supporting its growth and sustainability.

- **Sustainable and Green Infrastructure**

There is a growing emphasis on sustainable development within the IT and ITeS sectors, with FDI supporting the creation of green buildings, energy-efficient offices, and sustainable IT parks. These initiatives not only contribute to

reducing the sector's carbon footprint but also align with global standards for environmental sustainability.

Technological Advancements and R&D

Many global IT companies have set up their R&D centers in India, attracted by the talent pool and supportive FDI policies. Foreign Direct Investment (FDI) inflows into India's Information Technology (IT) and IT-enabled Services (ITeS) sector have been pivotal in driving technological advancements and research and development (R&D) activities. Here's an overview of how FDI has fostered innovation and technological progress in this sector:

- **Enhanced Technological Capabilities**

FDI has enabled the IT and ITeS sector in India to access cutting-edge technologies and best practices from around the globe. This access is crucial for staying competitive in the rapidly evolving tech landscape. Investments from multinational corporations (MNCs) have brought sophisticated software tools, platforms, and methodologies, which have been instrumental in developing advanced IT solutions and services.

- **Investment in Research and Development**

The presence of foreign companies has significantly contributed to the R&D landscape in the IT sector. Many MNCs have set up their R&D centers in India, taking advantage of the large pool of skilled engineers and researchers, along with the supportive policy environment. These centers are focused on innovation in software development, artificial intelligence (AI), machine learning (ML), blockchain, and other emerging technologies, contributing to India's growing reputation as an R&D hub.

- **Collaboration and Knowledge Exchange**

FDI facilitates collaboration between Indian companies and their global counterparts, leading to an exchange of knowledge and expertise. These collaborations often result in joint development projects, patents, and innovations that can have a significant impact on the global IT landscape. Moreover, exposure to global R&D practices helps Indian companies and

professionals to adopt and adapt new technologies and methodologies more efficiently.

- **Encouraging Startups and Innovation Ecosystem**

The flow of foreign investments into India's IT and ITeS sector has had a ripple effect on the startup ecosystem, encouraging innovation and entrepreneurship. Startups have become key players in introducing disruptive technologies and business models, often supported by foreign capital. This ecosystem fosters an environment of innovation, with many startups focusing on solving complex problems using technology, from fintech and health tech to tech and beyond.

- **Policy Initiatives and Government Support**

The Indian government has implemented several initiatives to attract FDI in the IT and ITeS sector, focusing on innovation and R&D. Policies such as the 'Digital India' campaign, and incentives for setting up R&D centers, have made India an attractive destination for foreign investment in technology. These initiatives not only boost foreign investment but also emphasize the importance of technological advancements and R&D in the country's growth strategy.

- **Upgradation of Infrastructure and Skills**

FDI in IT and ITeS has also led to the upgradation of infrastructure and skills required for advanced technology adoption. This includes investments in high-speed internet infrastructure, data centers, and cloud services, as well as training and development programs for upskilling the workforce in new technologies.

Evolution of the IT and ITeS Sector in India

Year/Period	Milestone/Development
1960s-1970s	Early foundations of the IT sector with the establishment of Tata Consultancy Services (TCS) and the Indian Institutes of Technology (IITs).
1980s	The establishment of the National Association of Software and Service Companies (NASSCOM) to promote the software industry. Introduction of computerization policies.
1991	Economic liberalization including reforms in the IT sector; beginning of FDI inflow into the sector.
1990s	Rapid growth in software exports and IT services. Establishment of Software Technology Parks of India (STPIs).

The early 2000s	India emerges as a global IT and outsourcing hub. Boom in IT-enabled services (ITeS) and Business Process Outsourcing (BPO).
2005	Introduction of the Special Economic Zones (SEZ) Act to further boost IT exports and FDI.
2010s	Growth in e-commerce and digital startups. Expansion in IT services including cloud computing, big data, and analytics.
2015 onwards	Digital India initiative launched. Focus on digital infrastructure, e-governance, and digital empowerment.
2020s	Rise in remote work and digital services due to the COVID-19 pandemic. Increased focus on cybersecurity, Artificial Intelligence (AI), Machine Learning (ML), and the Internet of Things (IoT).
Present & Future	Continuation of digital transformation across sectors. Emphasis on innovation, R&D, and enhancing India's global IT footprint.

Conclusion

The evolution of the IT and ITeS sector in India, marked by significant Foreign Direct Investment (FDI) inflows, underscores the sector's pivotal role in the country's economic and technological advancements. FDI has been instrumental in driving the expansion and global presence of Indian IT firms, making the sector one of the top recipients of foreign investment. This influx has not only facilitated access to new markets and a global talent pool but also attracted multinational IT giants to establish operations in India. The period from April 2000 to March 2020 alone saw the sector receiving approximately \$44.91 billion in FDI, with the fiscal year 2023 witnessing substantial inflows worth \$9.39 billion into the computer software and hardware segment. Such investments have bolstered India's export earnings, contributing significantly to the GDP and creating millions of jobs. Moreover, the liberalized FDI regime and government initiatives like 'Digital India' have further fuelled the growth of a vibrant startup ecosystem, emphasizing innovation and positioning India as a global IT hub. The continuous support for infrastructure development, technological advancements, and R&D, coupled with India's strategic advantage in IT and digital services, point towards an optimistic future for the sector. This narrative not only

illustrates the transformative impact of FDI on the IT and ITeS sector but also highlights the sector's substantial contributions to India's global standing and economic resilience.

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STUDY THE IMPACT OF GST (GOODS & SERVICE TAX) IN MANUFACTURING UNITS OF ALIGARH DISTRICT OF UTTAR PRADESH

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Abstract

“One Nation One Tax” GST was implemented on July 1st, 2017, following the One Hundred and First Amendments of the Indian Constitution by the Government of India. Goods and Services Tax is increasing competitiveness and performance in India’s manufacturing sector. This study investigates the effects of the Goods and Services Tax (GST) implementation on manufacturing units in Aligarh, Uttar Pradesh, focusing on its impact on operational and performance aspects. The primary objective was to assess how GST influences manufacturing operations, tax compliance, and overall business profitability within this region. Data was collected through a structured questionnaire from 70 owners of manufacturing industrial units, chosen randomly. The analysis was conducted using simple percentage evaluations and bar diagrams to interpret the responses. The findings reveal a predominantly positive sentiment toward GST among the respondents. A significant majority acknowledged that GST has simplified tax compliance processes, reduced complexities associated with tax filings, and enhanced operational efficiencies. The study also highlights a strong consensus on the reduction of tax evasion and the overall beneficial impact of GST on the local manufacturing landscape. However, a minority of the participants reported challenges, including increased complexity in certain aspects of tax compliance, higher costs related to GST implementation, and adverse effects on cash flow. This research underlines the transformative potential of GST for improving business operations and supports continued efforts to refine this taxation framework to bolster the manufacturing industry's growth and development in the region.

Keywords: GST, Manufacturing, Compliance

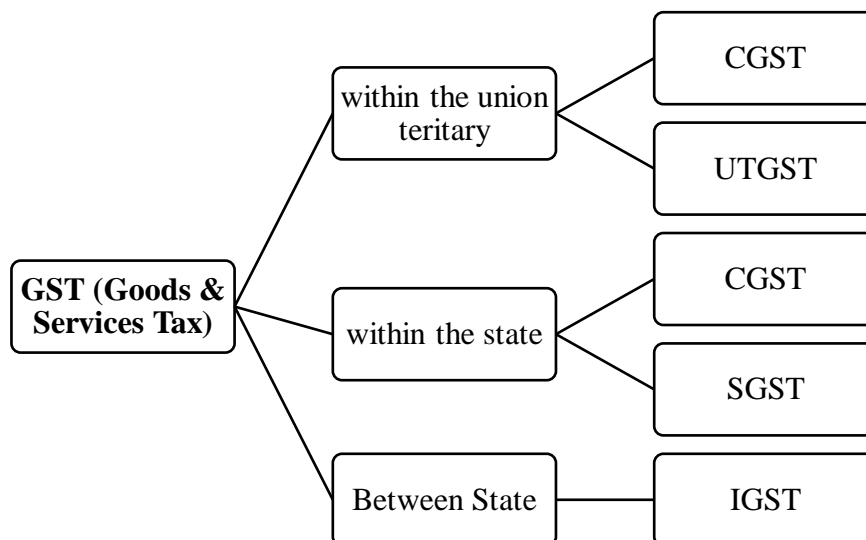
Introduction

On July 1, 2017, India implemented a crucial indirect tax reform known as the Goods and Services Tax (GST). Goods and Services Tax (GST) is a comprehensive indirect

tax levied on the supply of goods and services across India. It replaced multiple indirect taxes levied by the central and state governments, streamlining the taxation system and creating a unified national market. GST is designed to be a destination-based tax, meaning it is levied at the point of consumption rather than the point of origin. Under the GST regime, goods and services are classified into different tax slabs: 0%, 5%, 12%, 18%, and 28%. Certain essential items may be taxed at a lower rate or exempted altogether. GST is levied at each stage of the supply chain, with tax credits available for taxes paid on inputs, allowing for the avoidance of tax cascading.

GST is administered through a dual model, with both the central and state governments having the authority to levy and collect GST on intra-state (within the state) and inter-state (between states) supplies. The tax revenue collected under GST is shared between the central and state governments based on a pre-determined formula.

GST Structure



Applicability of GST in the Manufacturing Sector

GST has significantly impacted the manufacturing sector, influencing various stages of the production cycle. Here's an overview of its relevance:

1. Procurement of Raw Materials and Inputs:

- **GST Applicability:** Manufacturers are obligated to pay GST on the acquisition of raw materials, inputs, and capital goods.
- **Input Tax Credit (ITC):** Manufacturers have the provision to claim Input Tax Credit (ITC) for the GST paid on their inputs. This mechanism enables

them to reduce their tax liability by offsetting the GST on inputs against the GST collected on their final products.

2. Manufacturing and Production:

- **GST Applicability:** Manufacturers are liable to pay GST on the value addition that occurs during the manufacturing process.
- **GST Rate:** The applicable GST rate for manufacturing and production activities varies depending on the type of product being manufactured, typically falling within 5%, 12%, or 18% categories.

3. Sale of Manufactured Products:

- **GST Applicability:** Manufacturers are mandated to collect GST on the sale of their products.
- **GST Rate:** The GST rate for selling manufactured products is determined based on the product category and the HSN (Harmonized System of Nomenclature) code assigned to it.

4. Export of Goods:

- **GST Applicability with Refund:** Manufacturers engaged in exporting goods are subject to GST; however, they are eligible to claim a refund of the GST paid. This ensures that exported goods are zero-rated for GST purposes.

Goods and Services Tax (GST) has had a profound impact on the manufacturing sector since its implementation in India. Before GST, the manufacturing sector grappled with a complex and fragmented tax structure characterized by multiple indirect taxes levied by both the central and state governments. This system often led to tax cascading, where taxes were levied on top of already taxed inputs, resulting in increased production costs and reduced competitiveness. With the introduction of GST on July 1, 2017, India witnessed a significant overhaul of its indirect tax regime. GST aimed to create a unified national market by subsuming various central and state taxes into a single tax system. This consolidation eliminated the cascading effect of taxes, thereby promoting efficiency and reducing the tax burden on manufacturers.

One of the key benefits of GST for the manufacturing sector lies in its simplification of tax compliance procedures. Previously, manufacturers had to navigate through a maze of tax laws and regulations, leading to administrative complexities and compliance challenges. GST streamlined these processes by introducing a uniform tax rate structure and a centralized online portal for tax filing and payment. This simplification has helped

manufacturers save time and resources, enabling them to focus more on their core business activities.

Moreover, GST has facilitated seamless inter-state movement of goods, removing barriers to trade and fostering a more integrated supply chain network. The abolition of entry taxes and the implementation of a unified tax system have resulted in smoother logistics operations and reduced transportation costs for manufacturers. This has led to enhanced market access and improved distribution efficiencies, benefiting manufacturers across various industries.

Manufacturing in Aligarh

The manufacturing sector in Aligarh, a city located in the Indian state of Uttar Pradesh, plays a pivotal role in the region's economic landscape. Renowned for its rich cultural heritage and historical significance, Aligarh has emerged as a significant industrial hub, particularly in the manufacturing domain. With a diverse range of industries spanning from traditional crafts to modern manufacturing facilities, Aligarh boasts a vibrant and dynamic manufacturing sector. Aligarh has established itself as a prominent manufacturing hub in India.

With over 3,000 manufacturing units, the city's industrial landscape boasts diversity and dynamism. The metalware industry, particularly brass products, has earned Aligarh the title of "The Brass City." Similarly, the lock and hardware manufacturing sector in Aligarh is globally recognized for its craftsmanship and innovation.

Employing over 100,000 people directly and indirectly, the manufacturing sector in Aligarh contributes significantly to employment generation and economic growth in the region. The city's strategic location, skilled workforce, and supportive business environment have attracted investments from both domestic and international players, further fueling the sector's expansion and development.

Furthermore, Aligarh hosts a robust small and medium-sized enterprises (SMEs) ecosystem, fostering entrepreneurship and industrial growth. These SMEs, along with established industrial units, contribute significantly to the city's manufacturing output and employment generation.

In recent years, Aligarh has witnessed infrastructural developments and policy initiatives aimed at bolstering its manufacturing sector, attracting investments, and enhancing competitiveness. With its strategic location, skilled workforce, and

supportive business environment, Aligarh continues to thrive as a prominent manufacturing destination in India.

Literature Review

Usha, N. & Venkatesh, S. (2022) research offers a thorough examination of how the Goods and Services Tax (GST) has influenced the manufacturing sector in Karnataka, India. It underscores the favorable outcomes of GST, such as enhanced cash flows, simplified tax procedures, and lowered production expenses, which collectively elevate the operational efficiency and profitability of manufacturing enterprises. Utilizing a robust methodology involving surveys and statistical analyses, the study establishes a significant and positive link between GST implementation and enhanced manufacturing performance. It asserts that GST effectively addresses the shortcomings of the previous indirect tax regime, resulting in a more streamlined and lucrative manufacturing sector.

Singh, B., Dutt, S., & Thimmaiah, N. B. (2021) research paper delves into the Goods and Services Tax (GST) as a pivotal tax reform initiative in India, aimed at simplifying the complex indirect tax structure through consolidation. With a focus on the manufacturing sector, the research investigates the challenges encountered by employees following the implementation of GST, based on a sample size of 400 industry workers. Moreover, the study suggests that GST has fostered a more conducive business environment. Ultimately, the paper concludes that GST, as a unified indirect tax, holds promise in streamlining business processes, alleviating compliance burdens, and fostering economic growth in India.

Dahal & Das, (2021) study investigates the effects of three significant governmental initiatives—Make in India, Demonetization, and the implementation of GST—on the stock market performance of the Indian Manufacturing sector through event study methodology. It reveals that Make in India led to positive security returns, while Demonetization resulted in negative impacts on security prices, and GST implementation had no notable effect. Emphasizing the importance of sector-specific analysis in comprehending market responses to macroeconomic events, the study suggests that announcements with immediate financial implications tend to depress the market, whereas those geared towards economic advancement can uplift it.

Sarkar & Rani (2020) research paper explores the consolidation of indirect taxes into a unified system, aimed at simplifying tax structures and stimulating economic growth.

Noteworthy positive impacts of GST are highlighted in sectors such as logistics, e-commerce, pharmaceuticals, and telecommunications, while concerns in areas like the food industry and small-scale enterprises are also addressed. The authors conclude that GST, with its streamlined tax payment procedures and potential to curb tax evasion, represents a significant stride towards enhancing India's manufacturing prowess and overall economic reform. Drawing from a variety of sources, the paper presents a well-researched and balanced perspective on GST's influence on the manufacturing sector.

Beemabai, K., and Krishnakumar, K. (2019) research paper titled *"Impact of Goods and Service Tax (GST) on MSMEs in India"* a comprehensive examination of GST's effects on the Micro, Small, and Medium Enterprises (MSMEs) sector in India. It underscores the sector's pivotal role as a driver of growth and employment while addressing both positive and negative consequences of GST implementation on MSMEs. Drawing from various secondary sources, the study evaluates the sector-wise contribution to GDP post-GST and scrutinizes the challenges confronting MSMEs. While acknowledging benefits like reduced tax rates and simplified business initiation processes, the paper also delineates hurdles such as heightened working capital demands and the absence of tax distinctions for luxury items, potentially impacting the global competitiveness of MSMEs.

Netaji, S. P., & Maheswaran, G. (2018) paper titled *"A Study on Impact of GST Towards Sales Volume with Reference to Manufacturing Sector"* offers an in-depth examination of how the Goods and Services Tax (GST) influences India's manufacturing industry. It emphasizes the potential advantages of GST, such as mitigating tax cascading and boosting the global competitiveness of Indian products. Nevertheless, the paper also delves into concerns like the additional 1% origin tax and the exclusion of petroleum fuels from GST coverage. Employing a meticulous methodology involving surveys and statistical analysis, the study presents insights into the manufacturing sector's reception of GST and its effects on investment and production costs. Despite acknowledging some hurdles, the paper concludes that GST, coupled with the 'Make in India' campaign, is poised to positively impact the manufacturing sector.

Mehta, Y., & Rajan, A. J. (2017) paper delves into India's economic transition from agriculture to services, focusing on the recent resurgence of interest in manufacturing for its potential in job creation and economic advancement. It underscores the

significance of infrastructure and governmental policies, spotlighting initiatives like 'Make in India' and infrastructure enhancements as pivotal catalysts. By examining manufacturing growth across states, it acknowledges successes in states such as Gujarat and Andhra Pradesh while addressing challenges linked to education and infrastructure deficiencies elsewhere. Ultimately, the paper anticipates India's ascent as a global manufacturing powerhouse, propelled by policy reforms, infrastructure enhancements, and strategic endeavors like industrial corridors, with 'Make in India' and GST poised to redefine manufacturing and logistics, fostering a promising trajectory for the Indian economy.

Mahender (2017) study evaluates the impact of the Goods and Services Tax (GST) on India's manufacturing sector, examining its effects on tax collection efficiency and potential revenue growth. It provides a sector-specific analysis encompassing industries such as cement, automobile, consumer goods, IT, telecom, banking, pharmacy, textile, and media, outlining the repercussions of tax rate adjustments. Additionally, the study presents hypotheses regarding GST's alignment with the Make in India initiative and its implications for risk management and revenue distribution between state and central governments. It concludes that while industries like cement and automobile may experience advantages from GST, others such as IT, telecom, and textiles could encounter obstacles, highlighting the varied impact of GST across different segments of the manufacturing sector.

Singh (2017) this study explores how the Goods and Services Tax (GST) has impacted India's manufacturing sector. It underscores the transition from indirect to direct taxation, highlighting the hindrances to economic growth posed by the previous tax system's cascading effects. By examining GST's potential to streamline taxation, lower production expenses, and enhance cash flows, the paper suggests a potential shift towards a manufacturing-driven economy. It also delves into the challenges of GST implementation, including heightened working capital needs and the necessity for supply chain adjustments. Overall, the paper offers an extensive analysis of how GST affects India's manufacturing industry.

Thowseaf, S., & Ayisha Millath, M. (2016) research examines the anticipated impact of the Goods and Services Tax (GST) on Indian industrial sectors and exports. It highlights that while GST could streamline tax compliance and foster economic growth, it may not be favorable for the agricultural sector due to the new imposition of taxes on

previously exempt goods. The paper suggests that the successful implementation of GST would require liberalization of tax policies on essential commodities like agricultural products to mitigate potential price increases. Overall, the paper posits that GST, if implemented with certain exemptions, could enhance revenue transparency, reduce tax evasion, and contribute positively to India’s economy and standard of living.

Objective Of Study

To investigate and analyze the effects of GST implementation on manufacturing units located in Aligarh, Uttar Pradesh, to understand its impact on various aspects of their operations and overall performance.

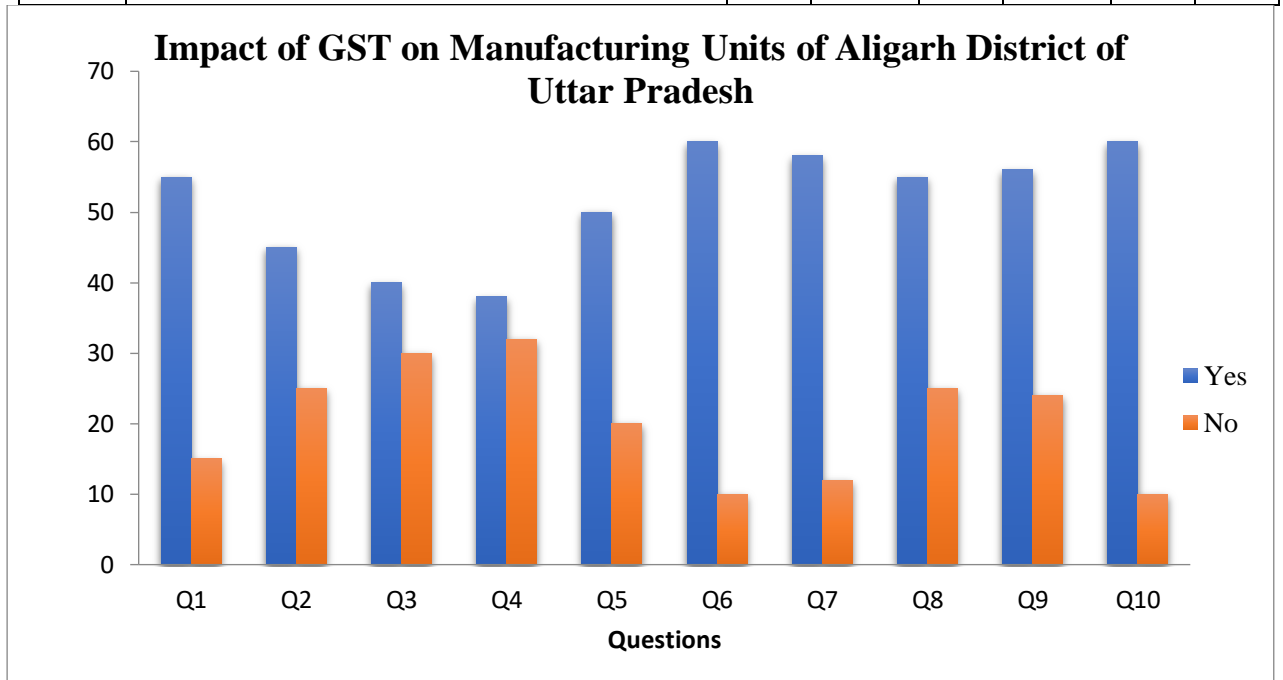
Research Methodology

The data for the study was gathered mainly from primary sources. The present study is conducted in Aligarh District of Uttar Pradesh state of India. The owners of manufacturing industrial units were selected randomly and data were gathered from 70 owners of manufacturing industrial units. To study how GST affects the manufacturing units of Aligarh district, a structured questionnaire was created, and personalized interaction with respondents to collect data in yes or no options. A simple percentage and bar diagram was used for the analysis of data.

Impact of GST on manufacturing units of Aligarh district

Code	Questions	Yes		No		Total	
Q1.	Has the implementation of GST simplified your tax compliance processes?	55	78.57 %	15	21.43 %	70	100 %
Q2.	Do you believe that GST has reduced the complexity of tax filings for your manufacturing unit?	45	64.28 %	25	35.72 %	70	100 %
Q3.	Have you noticed any increase in operational efficiency within your manufacturing unit since the introduction of GST?	40	57.14 %	30	42.86 %	70	100 %
Q4.	Has GST led to a reduction in logistical hurdles for your manufacturing operations?	38	54.28 %	32	45.7 %	70	100 %
Q5.	Do you think GST has improved the transparency and accountability of tax payments for your manufacturing unit?	50	71.42 %	20	28.6 %	70	100 %

Q6.	Has GST resulted in a decrease in tax evasion within the manufacturing sector?	60	85.71 %	10	14.3 %	70	100 %
Q7.	Has GST made it easier for your manufacturing unit to claim input tax credits?	58	82.85 %	12	17.1 %	70	100 %
Q8.	Do you feel that GST has had a positive impact on your manufacturing unit's profitability?	55	78.57 %	25	21.4 %	70	100 %
Q9.	Has GST influenced your decision-making processes regarding product pricing and market strategies?	56	80%	24	20%	70	100 %
Q10.	Overall, do you believe that GST has been beneficial for your manufacturing unit?	60	85.71	10	14.3 %	70	100 %



Positive Impacts of GST

The data suggests a generally positive sentiment towards GST. A majority of respondents agreed that GST has:

- Simplified tax compliance processes (78.57%)
- Reduced the complexity of tax filings (64.28%)
- Improved operational efficiency (57.14%)
- Reduced logistical hurdles (54.28%)

- Improved transparency and accountability of tax payments (71.42%)
- Made it easier to claim input tax credits (82.85%)
- Had a positive impact on profitability (78.57%)
- Influenced decision-making regarding product pricing and market strategies (80%)

Strongly Positive Responses

Some of the most positive responses were in regards to:

- Reduction in tax evasion (85.71%)
- Overall benefit to the manufacturing unit (85.71%)
- Easing the process of claiming input tax credits (82.85%)

Negative Impacts of GST

There is a minority who disagrees with these positive aspects. The table doesn't show the reasons behind these dissenting views, but some respondents may have experienced:

- Increased complexity in some areas of tax compliance
- Higher costs associated with implementing GST
- Negative impacts on cash flow

Scope for Further analysis

It would be beneficial to conduct further analysis or surveys to understand the reasons behind the dissenting views. This could help to identify areas where GST could be improved to better meet the needs of manufacturing units. Overall, the data suggests that GST has had a positive impact on manufacturing units in India. However, some minorities have experienced negative impacts. Further analysis is needed to understand the reasons behind these dissenting views.

Findings And Conclusion

The findings of the study on the impact of GST implementation on manufacturing units in Aligarh district reveal a predominantly positive sentiment towards the tax reform. The data suggests that a significant majority of respondents perceive GST to have simplified tax compliance processes, reduced the complexity of tax filings, and improved operational efficiency within their manufacturing units. Additionally, a majority of respondents believe that GST has led to a reduction in logistical hurdles, improved transparency and accountability of tax payments, and facilitated easier claiming of input tax credits. These findings indicate that GST has positively influenced

decision-making processes regarding product pricing and market strategies, ultimately contributing to the overall profitability of manufacturing units in the region.

Notably, the study highlights strong positive responses regarding the reduction in tax evasion and the perceived overall benefit of GST to manufacturing units. However, there remains a minority of respondents who express dissenting views. While the specific reasons behind these dissenting opinions are not delineated in the data, it is conceivable that some respondents may have encountered increased complexity in certain areas of tax compliance, higher implementation costs, or negative impacts on cash flow. Despite these challenges, the overall conclude that there is a significant positive impact of GST on the manufacturing sector in Aligarh district, indicating its role in streamlining processes, enhancing transparency, and contributing to the economic growth of the region.

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TAX INCENTIVES FOR GREEN TOURISM IN UTTARAKHAND

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Abstract

Tourism is booming worldwide, and Uttarakhand's natural beauty makes it a hot spot for visitors. But with more tourists comes more environmental damage. Tourism is a big part of Uttarakhand's economy, but it is also harming the environment. Sustainable tourism aims to fix this by balancing development with protecting nature. This study looks at how Uttarakhand can promote sustainable tourism by using taxes in smart ways. By charging tourists a little extra, the government can raise money to protect the environment, build better facilities, and advertise tourism responsibly. The goal is to see if these tax incentives can help make tourism in Uttarakhand more sustainable and less harmful to the environment.

From 2006–07 to 2016–17, tourism accounted for over 50% of Uttarakhand's Gross State Domestic Product (GSDP), showing its economic importance. To evaluate the effectiveness of tax incentives, we are analysing data from government reports, academic studies, industry publications, and online databases. This will help us understand what strategies might work best for promoting sustainable tourism in Uttarakhand. Additionally, the analysis reveals that over the given period (2015-2021), the average rate of growth or decline in tourism for Uttarakhand is approximately 2.33% for Indian tourists and approximately -11.42% for foreign tourists. Despite positive growth rates from 2015 to 2019, the industry experienced a decline in 2020 and 2021 due to the COVID-19 pandemic. If we exclude the pandemic years, the average rate of growth for Indian tourists is approximately 7.18%, and for foreign tourists, it is approximately 9.52%. Furthermore, it was observed that accurately charged, small tourism taxes are generally accepted by tourists, provided the

government transparently showcases how these funds are utilized to enhance tourism facilities.

Keywords: Sustainable tourism, Environment, Tourism Tax, Promotion, etc.

Introduction

The Himalayan region in India continues to be a favoured tourist destination, drawing a large influx of visitors year-round. The current study focuses on Uttarakhand since it offers adventure, pilgrimage, and educational tourism, making it one of the most significant tourist destinations in the Himalayas. The state of Uttarakhand is split into two sections: Kumaon is located in the southeast and Garhwal lies in the north-east. It is a hill state with stunning forests, snow-capped mountains, and a well-known pilgrimage site that draws large crowds of visitors (**Rana & Kumar, 2016**).

Tourism plays a key role in Uttarakhand's economy, contributing significantly to the GDP (**Kukreti, 2021**). It is one of India's fastest-growing states, with its GSDP increasing at a compound annual growth rate (CAGR) of 5.34% between 2012 and 2018. More than 70% of the state is covered by forests, which serve as a vital green lung. The presence of nearly all agro-climatic zones creates business prospects for both traditional and high-value agriculture. The state's proximity to the national capital and plentiful natural resources (particularly water and hydropower) have allowed it to create industrial parks in the plainer regions. The tourism industry is certainly one of the state's most important economic sectors. Tourism not only contributed over 50% of the overall GSDP from 2006-07 to 2016-17, but it also provided employment in all sections of the state (including hinterland areas). As the State pursues its objective of becoming a Green Economy, the tourist sector will play an important part in achieving the State's socioeconomic goals (As per report Invest India).

In the Indian economy, the tourism sector is strategically important and offers a number of socioeconomic advantages. The tourism industry offers significant economic benefits, including employment, revenue, and foreign exchange, as well as the development or extension of other businesses including construction, agriculture, and handicrafts. Additionally, expenditures on transportation, lodging, and other tourism-related services contribute to the expansion of the economy's infrastructure as a whole (**Tiwari, 2019**). In the broader context of rising tourism demand, historical towns as

heritage ecosystems have the problem of providing responsible and sustainable management (**Escudero Gómez, 2018; López 2005**). This difficulty involves management issues in historical cities (**Escudero Gómez 2018; Russo & Van de Borg, 2002**) and the growth of tourism activity (**Escudero Gómez 2018; Kaminski et al., 2014**).

Today tourism faces a challenge. Its addiction to expansion makes it incompatible with the objectives of sustainability. The ecological and social constraints of residing in a finite world are not stopping tourist authorities from pushing tourism growth, even after thirty years of debating strategies to achieve sustainable tourism (**Higgins-Desbiolles, 2018**). Sustainable tourism is defined by the World Tourism Organization as "tourism that takes full account of its current and future economic, social, and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities". Sustainable tourism development means using natural and cultural resources without harming them, so they can still be enjoyed by future generations. It is important because if these resources are damaged or lost, tourists would not be interested in visiting, and locals would not enjoy living there either. Planning for sustainable tourism involves carefully studying the environment and making smart decisions to protect it while still allowing tourism to thrive (**Angelevska-Najdeska & Rakicevik, 2012**).

The development and sustainability of Uttarakhand's tourism industry are hampered by a number of issues and challenges. Stakeholders have identified economic, political, environmental, infrastructure, and social concerns as issues. The state also struggles with the issue of "ghost villages," which causes out-of-state migration and affects community-based tourist projects. Unplanned construction projects, inconsistent tourism behaviors, and a huge influx of tourists put the region's delicate environment and sustainability under stress. But Uttarakhand may take advantage of its tourism potential and overcome these obstacles to support a flourishing tourism economy if effective planning, infrastructure upgrades, stakeholder satisfaction, and the application of sustainable techniques are put into place (**Melkani & Kumar, 2021; Roy & Saxena, 2020; Agrawal et al., 2022; Joveriya & Mariya, 2019; Chandra & Kumar, 2021**). In this regard, Tourism tax can help to fund sustainable tourism. Taxing tourists allows places to raise funds to support sustainability efforts and improve the overall tourist

experience. These money can be used to support conservation projects, infrastructural development, and community welfare (Cárdenas-García et al., 2022).

Review of Literature

Numerous studies have demonstrated that taxation policies can be used to encourage sustainable tourism. The objectives of tourist taxes are to preserve the environment, finance investments, and internalize external expenses (Göktaş & Çetin, 2023). Studies conducted in Andalusia demonstrate how taxes on tourism can improve sustainability and the visitor experience by determining the taxes that travellers prefer and the variables that affect their willingness to pay (Cárdenas-García et al., 2022). Furthermore, the effect that taxes on tourism and retaliation against tourist attractions have on local revenue highlights the financial advantages of this kind of taxation in developing areas (Dari et al., 2022). The level of environmental taxes has been found to have a significant impact on reducing the negative environmental effects of tourism, with a threshold level at which tourism improves environmental performance (Usman & Alola, 2022). The significance of taxes in sustainable tourism growth is further highlighted by a dynamic model that establishes the ideal tourism tax levels at various stages of a destination's lifespan (Yang et al., 2021).

Sheng (2017) analyses the tax burden distribution between tourists and local providers of tourism services, as well as the tax's influence on actual income by changes in relative price. The study emphasizes the crucial role of market conditions, such as demand elasticity and industrial structure, in determining the success or failure of a tourism tax. The study suggests that different tourism economies might need different tax rates depending on their specific market conditions. It also argues that governments should choose taxes in a way that maximizes welfare or preserves efficiency in that particular market.

Nepal & Nepal, (2019), investigate the types of economic taxes used to manage over-tourism. This is based on a case study approach, which is employed to explore over-tourism concerns in five countries. The study's findings show that tourist taxes and entrance fees are popular answers to over-tourism concerns, however, their usefulness in fixing environmental problems is controversial. The study underlines the negative economic, social, and environmental consequences of over-tourism in popular areas and explores the need for effective governmental measures to address these challenges. The document offered both short-term and long-term remedies for managing over-

tourism, such as applying corrective taxes and levies, equitable benefit sharing, extending and smoothing tourist dispersion and flow, reducing fossil fuel energy usage, and regulating accommodation availability.

Kristjánsdóttir, (2020) concluded that the demand for travel in Europe is not adversely affected by an increase in value-added tax (VAT). The World Bank's data on tourism arrivals in Europe between 1995 and 2016 and the trade association HOTREC's VAT rates on tourism were both examined in this study. The results of the regression study indicated that the rise in VAT had no discernible effect on the number of travelers to European nations. According to this research, governments may find it viable to raise money through VAT without having a detrimental impact on travel.

Larysa et al., 2020 identify the financial and taxation aspects of tourism activities in the development of Ukraine's tourism businesses to formulate useful suggestions for enhancement. It emphasized the impact of tourism-related taxes on company outcomes and the efficacy of tax laws. These taxes include export taxes for international visitors and internal taxes for local businesses. The study finds that the tourism business faces issues due to its complex tax system, which includes many taxes levied on different services within the sector. The industry's expansion has been hampered by issues like high value-added tax rates, tourism fees, and inefficient administrative practices. They have also mentioned that there is a need for actions to enhance tax administration efficiency, optimize financial and tax systems, and promote tax discipline for tourism-related businesses to address these issues. They underlined the necessity of actions to strengthen tax compliance, lower tax evasion, and boost the financial and tax framework for travel-related businesses.

Adedoyin et al., 2021, studied the impact of tourism taxes on foreign visitors to the Maldives. The Maldives' tourism tax has a detrimental impact on foreign visitors; a 10% rise in tax lowers demand by 5.4%. To overcome endogeneity problems, the connection between tourism tax and tourist arrivals was estimated using the fully modified ordinary least squares (FMOLS) approach. Depending on the source market, the effect of tourism taxes on visitor arrivals varies; some nations react negatively to increases in tourism taxes, while others respond positively. The analysis also emphasizes how crucial it is to take into account a variety of variables and features unique to a certain market when analysing how tourist taxes and other factors affect demand for travel. Compared to the normal tourism price variable, the price

competitiveness index appears to be a more appropriate variable to employ in the tourism demand model, according to the sensitivity analysis.

Cárdenas-García et al., (2022) carried out a study in Andalusia, Spain, to determine the preferences of tourists for different taxes and fees as well as the factors that influence their willingness to pay (WTP) for the most widely accepted taxes and fees. To analyze the data for the research study, 1068 surveys were given to visitors to Andalusia, Spain. To forecast the likelihood of a favorable willingness to pay based on sociodemographic factors and trip features, the study has used logistic regression models. The study determined the preferences of visitors for 15 distinct taxes and fees aimed at improving Andalusia's tourism offerings and sustainability. The study tackles the necessity of creating fresh approaches to public revenue generation to promote the growth of sustainable tourism and enhance visitor experiences, especially when it comes to mass tourism specialization. Additionally, the study identifies particular taxes and levies—such as public access fees for tourism resources, taxes on tourist attractions, public museum entry prices, and environmental conservation taxes—that earned significant levels of WTP from visitors.

Göktaş & Çetin, (2023), analyses the causes and effects of tourist taxes to promote sustainable tourism. The study questioned travelers in Istanbul and analyzed 428 responses with the Tobit model. The results showed that the willingness to pay varied depending on the scenario, with cultural heritage support having the highest readiness to pay. Gender, marital status, and level of education all had an impact on willingness to pay. Travel behaviours and prior knowledge of the tourist tax also influenced willingness to pay. The study's findings suggested that first-time visitors to Istanbul were more prepared to pay the tourist fee than previous visitors. The study also found that socio-demographic characteristics, travel practices, and prior knowledge of the tourist tax all had a substantial impact on willingness to pay. Furthermore, the study emphasized the need to inform visitors about the use of the collected tourist tax to enhance their desire to pay.

Gunawan Prayitno et al., (2024) examined how social networks, norms, and trust influence community social capital and its impact on sustainable tourism development. They surveyed 261 respondents, primarily heads of families, using proportionate random sampling to ensure diversity. Respondents varied in gender, age (15-65 years), education, income, and occupation, with a majority being men. Using SEM-PLS

analysis, researchers demonstrated the positive impact of social capital on the village's sustainable tourism. The study found that social networks, norms, and trust have a significant influence on the social capital of Bangelan Village, which plays a crucial role in driving sustainable tourism development.

Countries Charging Tourist Tax

Bali tourist tax: Starting from February 14, 2024, the Indonesian government has implemented a new tourist tax specifically for travelers visiting Bali. This fee, known as the Bali tourist tax, amounts to 150,000 IDR per person, approximately \$15 USD. It is important to note that this levy is only applicable to those visiting Bali and not to travelers visiting other provinces in Indonesia. Payment of the tourism levy can be conveniently made online through the LOVE BALI website or mobile app using various methods such as bank transfer, virtual account, or Qris payment (Chandler, 2024).

Barcelona: Barcelona continues to address overtourism by increasing its tourist tax. Following a previous hike in 2023 to €2.75, the city plans another increase on April 1, 2024, raising the fee to €3.25. This tax applies to visitors staying in official tourist accommodations and aims to support infrastructure improvements such as roads, bus services, and escalators, as announced by city authorities in 2022 (Barcelona Increases Its Tourist Tax This Week: Where Else Will You Have to Pay to Enter in 2024?, 2024).

Bhutan: Bhutan, known for its stunning landscapes and rich culture, is making moves to revive its tourism sector. After initially raising its "Sustainable Development Fee" to \$200 per night in September 2022, the country has now decided to slash it to \$100. The goal of this decrease is to draw in more foreign visitors and strengthen the economy, which has been negatively damaged by both COVID-19 and the earlier price rise. It is anticipated that the charge cut, which will take effect in September and last for four years, will boost traveler numbers during the busiest travel months of September through December. Bhutan, a formerly remote but now well-liked travel destination, aspires to revive tourism while upholding its commitment to sustainability ("Bhutan Halves per Day Tourist Fee to Attract Global Visitors," Times of India, 2023).

Italy: Venice, Italy, is introducing a €5 fee for foreign visitors entering the city starting in spring 2024, as confirmed by Mayor Luigi Brugnaro. This measure aims to manage tourism and support the city's residents. The city emphasizes that this fee is not just about making money; instead, the proceeds will be used for services benefiting

residents, such as maintenance, cleaning, and lowering living costs (Tourist Tax: You Will Have to Pay Extra to Enter These Cities, Economic Times, 2023).

Thailand: Thailand is about to impose a 300 Baht tourist tax on all travelers, regardless of their country of origin. The start date was originally scheduled to begin in September 2023, but due to implementation problems and airline concerns, it was put back to the end of 2022. A portion of the levy, according to the governor of the Tourism Authority of Thailand, will fund the construction of tourist attractions like Bangkok's Grand Palace and assist travelers, particularly in situations where health insurance is insufficient (Tourist Tax: You Will Have to Pay Extra to Enter These Cities, Economic Times, 2023).

Russia: Beginning on April 1, 2024, St. Petersburg will impose a tourist tax of 100 rubles per person every day of stay (one Russian ruble is equal to 0.90 Indian rupees), excluding the day of arrival. Those who are 18 years of age or older and stay in a hotel for more than twenty-four hours are subject to the tourist tax. When a guest checks into their hotel, they can pay. There are also, other cities besides St. Petersburg that impose a tourist tax (Cities That Started Charging a Daily Tourist Tax in 2024 & More Travel News, Money control, 2024).

Research Methodology

This research paper is based on secondary data collected from various sources, including academic journals, reports, and online databases. The data has been analysed using content analysis to identify the major themes and patterns related to sustainable tourism development in Uttarakhand. The paper also includes examples to illustrate the tourist taxation in the tourism industry in the Uttarakhand region.

Data Analysis and Interpretation:-

Table: 3.1

YEAR	Indian Tourist	Foreign Tourist
2015	29295152	111094
2016	31663782	112799
2017	34581097	142102
2018	36697678	154526
2019	39066776	158964
2020	7836002	38763
2021	20002705	15410
Grand Total	199143192	733658

Number of tourists in Uttarakhand: source: uttarakhandtourism.gov.in

Rate of growth in Indian tourists (each year) in Uttarakhand

Table: 3.2

Year	Calculation of growth	Rate of Growth
2016	$[(31,663,782 / 29,295,152) - 1] \times 100 = [(1.0807) - 1] \times 100 = (0.0807) \times 100$	8.07%
2017	$[(34,581,097 / 31,663,782) - 1] \times 100 = [(1.0923) - 1] \times 100 = (0.0923) \times 100$	9.23%
2018	$[(36,697,678 / 34,581,097) - 1] \times 100 = [(1.0611) - 1] \times 100 = (0.0611) \times 100$	6.11%
2019	$[(39,066,776 / 36,697,678) - 1] \times 100 = [(1.0646) - 1] \times 100 = (0.0646) \times 100$	6.46%
2020	$[(7,836,002 / 39,066,776) - 1] \times 100 = [(0.2004) - 1] \times 100 = (-0.7996) \times 100$	-79.96%
2021	$[(20,002,705 / 7,836,002) - 1] \times 100 = [(2.5522) - 1] \times 100 = (1.5522) \times 100$	155.22%

(Rate of growth = [(final value / initial value) - 1] x 100)

Rate of growth in Foreign tourists (each year) in Uttarakhand

Table: 3.3

Year	Calculation of growth	Rate of Growth
2016	$[(112,799 / 111,094) - 1] \times 100 = [(1.0154) - 1] \times 100 = (0.0154) \times 100$	1.54%
2017	$[(142,102 / 112,799) - 1] \times 100 = [(1.2588) - 1] \times 100 = (0.2588) \times 100$	25.88%
2018	$[(154,526 / 142,102) - 1] \times 100 = [(1.0879) - 1] \times 100 = (0.0879) \times 100$	8.79%
2019	$[(158,964 / 154,526) - 1] \times 100 = [(1.0286) - 1] \times 100 = (0.0286) \times 100$	2.86%
2020	$[(38,763 / 158,964) - 1] \times 100 = [(0.2439) - 1] \times 100 = (-0.7561) \times 100$	-75.61%
2021	$[(15,410 / 38,763) - 1] \times 100 = [(0.3977) - 1] \times 100 = (-0.6023) \times 100$	-60.23%

These figures suggest that the tourism industry in Uttarakhand saw positive growth rates from 2015 to 2019, with a decline in 2020 and 2021 due to the COVID-19 pandemic. The decline in foreign tourist arrivals was more severe than that of Indian tourists.

Average rate of growth for tourists in Uttarakhand from 2015-2021

the average rate of growth for both Indian and foreign tourists:

For Indian tourists: Average rate of growth = $(7.98 + 9.20 + 6.11 + 6.44 - 79.97 + 155.22) / 6 = 2.33\%$

For foreign tourists: Average rate of growth = $(1.54 + 25.88 + 8.79 + 2.86 - 75.56 - 60.27) / 6 = -11.42\%$

So, the average rate of growth or decline in tourism for Uttarakhand over the given period is approximately 2.33% for Indian tourists and approximately -11.42% for foreign tourists. The tourism industry in Uttarakhand saw positive growth rates from 2015 to 2019, with a decline in 2020 and 2021 due to the COVID-19 pandemic.

If we exclude the years 2020 and 2021, Then, the average rate of growth for both Indian and foreign tourists using the data from 2015 to 2019.

Average rate of growth for Indian tourists = $(7.98 + 9.20 + 6.11 + 6.44) / 4 = 7.18\%$

Average rate of growth for foreign tourists = $(1.54 + 25.88 + 8.79 + 2.86) / 4 = 9.52\%$

So, if we ignore 2020 and 2021 because of COVID-19, the average rate of growth for Indian tourists is approximately 7.18%, and the average rate of growth for foreign tourists is approximately 9.52%.

Average tourist visits in Uttarakhand from 2015-2021

Average tourist visits = (Total tourist visits) / Number of years

For Indian tourists: Total Indian tourist visits

Table: 3.4

S.No	Number of tourists	Total
1	29,295,152	199,143,192
2	31,663,782	
3	34,581,097	
4	36,697,678	
5	39,066,776	
6	7,836,002	
7	20,002,705	

For foreign tourists: Total foreign tourist visits

Table: 3.5

S.No	Number of tourists	Total
1	111,094	733,658
2	112,799	
3	142,102	
4	154,526	
5	158,964	
6	38,763	
7	15,410	

Now, we have the total number of tourist visits for both Indian and foreign tourists.

The number of years is 7.

Average tourist visits per year for Indian tourists:

Average Indian tourist visits per year=Total Indian tourist visits/Number of years

$$=199,143,192/7$$

$$=28,449,027.43$$

Average tourist visits per year for foreign tourists:

Average foreign tourist visits per year = Total foreign tourist visits/Number of years

$$=733,658/7$$

$$=104,808.29$$

So, the average number of tourists visiting Uttarakhand every year is approximately

28.45 million for Indian tourists and approximately 104,808 for foreign tourists.

The average number of tourists (Indian and Foreign together) visits per year in Uttarakhand from 2015 to 2021

Total tourist visits (including both Indian and foreign tourists) from 2015 to 2021:

Total tourist visits=199,143,192 (Indian tourists) +733,658 (foreign tourists)

$$=199,876,850$$

Number of years: 7

The calculation for the average tourist visits per year (including Indian and Foreign

Tourist): Average tourist visits per year=Total tourist visits/Number of years

$$=199,876,850/7$$

$$=2,85,53,835.71$$

So, the average number of tourist visits per year in Uttarakhand from 2015 to 2021, including both Indian and foreign tourists, is approximately 28.55 million.

If Tax Charged (On 1% tax assumption)

The average number of tourist visits per year: 28.55 million

Average expenditure per trip on Holidaying, leisure, and recreation: ₹26,731 as per the NSS report

Calculation of the total expenditure on Holidaying, leisure, and recreation per year:

$$\begin{aligned}\text{Total expenditure} &= \text{Average expenditure per trip} \times \text{Average number of tourist visits per year} \\ &= 26,731 \times 28,550,000 = 26,731 \times 28,550,000 \\ &= 762,510,500,000\end{aligned}$$

Tax calculation on assuming a tax rate of 1%:

$$\begin{aligned}\text{Tax revenue} &= 0.01 \times \text{Total expenditure} \\ \text{Tax revenue} &= 0.01 \times 762,510,500,000 \\ &= 7,625,105,000\end{aligned}$$

So, the tax revenue from charging a 1% tax rate on the average expenditure on Holidaying, leisure, and recreation for tourist visits in Uttarakhand from 2015 to 2021 would be approximately ₹7.63 billion per year.

Advantages & Disadvantages of Tourism Tax

Implementing tourism taxes has both advantages and disadvantages, as highlighted in various studies (Mahadevan et al., 2016; Sheng & Tsui, 2009; Ylvije & Elez, 2012; Cárdenas-García et al., 2022; Shi & Li, 2013; Delitheou & Georgios Papastamatiou, 2016).

Advantages of Tourism Taxation for Sustainable Tourism:

1. **Encourages Tourism Growth:** Taxing tourism can help boost the tourism industry by providing money for improvements and infrastructure.
2. **Addresses Environmental Impact:** Tourism taxes can help tackle the negative effects of too much tourism, promoting sustainable practices and funding conservation efforts.
3. **Supports Poverty Reduction:** Revenue from tourism taxes can be used to help people in need, particularly in rural areas, reducing poverty.
4. **Ensures Steady Revenue:** A reliable system for collecting tourism taxes ensures the government has a steady income to support growth and development.

5. **Resource Generation:** Tourism taxes contribute to obtaining resources to improve sustainability and enhance the tourist experience.
6. **Funding Conservation Efforts:** Well-designed tourism taxes can provide resources for conservation projects, infrastructure maintenance, and community welfare.
7. **Corporate Incentive:** Investing in sustainability benefits companies, leading to a well-managed, lucrative industry where tourism costs are handled efficiently.

Challenges and Disadvantages:

1. **Resistance from Stakeholders:** When trying to implement sustainable tourism practices through taxation, there can be pushback from businesses, tourists, and local communities.
2. **Complexity:** Creating and enforcing a tax system for tourism is complicated. It involves setting rates, deciding who is exempt, and making sure everyone follows the rules.
3. **Equity Concerns:** Making sure that the tax burden is fair for everyone involved – tourists, businesses, and locals – is tough.
4. **Tourist Perception:** High taxes might make tourists think twice about visiting a destination or spending money there, affecting the destination's attractiveness.
5. **Negative Impact on Competitiveness:** High taxes in tourism could make a place less competitive, leading to fewer tourists and less money coming in.
6. **Burden on Businesses:** Tax systems with lots of exemptions and high rates can put a strain on tourism businesses, hurting their profits and sustainability.
7. **Potential Output Contraction:** Taxing tourism-related sectors might shrink the economy, causing job losses and reducing overall economic activity

Discussion

Tourism in Uttarakhand has flourished over the years, contributing significantly to the state's Gross State Domestic Product (GSDP). However, this growth has been accompanied by environmental challenges, necessitating the adoption of sustainable tourism practices. The present study explores the potential of utilizing tourism taxes as a tool for promoting sustainable tourism in Uttarakhand. Sustainable tourism development is imperative for preserving the natural and cultural heritage of

Uttarakhand while ensuring long-term economic benefits. By balancing economic growth with environmental conservation, sustainable tourism aims to mitigate the adverse impacts of tourism activities on the ecosystem and local communities. The study emphasizes the need for responsible management of tourism resources to maintain their attractiveness for future generations.

A review of existing literature underscores the significance of tourism taxes in managing over-tourism and financing sustainable tourism initiatives. Studies from various countries, including Nepal, Europe, and Ukraine, highlight the diverse approaches governments have taken to address the challenges posed by tourism growth. From corrective taxes to equitable benefit sharing, these measures aim to strike a balance between tourism development and environmental conservation.

Examining examples of countries implementing tourist taxes, such as Bali, Barcelona, and Bhutan, provides valuable insights into the potential effectiveness of such measures. These taxes not only generate revenue but also support infrastructure development and environmental conservation efforts. However, the success of tourist taxes depends on factors such as market conditions, government policies, and public acceptance. Analyzing tourism data from Uttarakhand reveals fluctuations in tourist arrivals, with a significant decline observed in 2020 and 2021 due to the COVID-19 pandemic. Despite this setback, the average rate of growth for Indian tourists remains positive, indicating the resilience of domestic tourism. Foreign tourist arrivals, however, have experienced a more pronounced decline, underscoring the need for targeted strategies to revive international tourism post-pandemic.

Calculations based on assumed tax rates demonstrate the potential revenue that could be generated from tourism taxes in Uttarakhand. By leveraging a modest tax rate of 1% on tourist expenditures, the government could generate substantial revenue to fund conservation efforts and improve tourism infrastructure.

Conclusion

While the decline in tourist numbers in Uttarakhand during the COVID-19 pandemic is concerning, there is optimism for the future based on the growth trends observed from 2015 to 2019. During this period, the average rate of tourism growth was 7.18% for Indian tourists and 9.52% for foreign tourists, indicating significant potential for the tourism sector. By learning from examples worldwide, such as Bali and Barcelona,

Uttarakhand can implement tourism taxes to manage visitor numbers, support local communities, and fund essential services.

Implementing a 1% tourist tax could generate substantial revenue to promote and develop sustainable tourism in the state. This revenue could be directed towards infrastructure projects such as eco-friendly accommodations, waste management systems, and transportation facilities, thereby reducing the environmental impact of tourism. Additionally, it could be used to fund initiatives to promote responsible tourism practices, including wildlife conservation and cultural preservation. Furthermore, leveraging taxation to promote eco-friendly tourism can enhance Uttarakhand's destination image, attract environmentally conscious tourists, and stimulate innovation in sustainable tourism industries. While there are concerns about the potential drawbacks of tourist taxes, such as increased travel costs for visitors, careful consideration and planning can mitigate these risks.

Furthermore, the effectiveness of tourism taxes depends on various factors, including market conditions and public perception. Policymakers must carefully design taxation measures that strike a balance between economic benefits and environmental conservation. This requires collaboration with stakeholders and clear communication to ensure transparency and acceptance.

Overall, implementing a tourist tax offers a sustainable solution to generate revenue for the development of sustainable tourism practices in Uttarakhand. By prioritizing responsible tourism, the state can attract more visitors while safeguarding its natural and cultural heritage for future generations.

Future Research

Future research in sustainable tourism and tourism taxation in Uttarakhand could delve into various aspects to deepen understanding and implementation. Firstly, it could assess the impact of tourism taxes on tourist behavior and environmental conservation, examining spending patterns and revenue allocation. Secondly, understanding stakeholder perceptions, including tourists and local communities, could inform policy design. Long-term planning integrating taxation into sustainability initiatives, comparative analyses with global practices, and technological innovations for efficient tax collection are also valuable research areas. Capacity-building for policy implementation, resilience planning for crises, and community-based tourism development are additional avenues for exploration. By addressing these areas, future

research can inform policies and practices that foster sustainable tourism and economic growth in Uttarakhand

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CONSUMER PERSPECTIVE ON LOGISTICAL AND SUPPLY CHAIN CHALLENGES: A COMPARATIVE STUDY OF RURAL AND URBAN MARKETS IN FMCG

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Abstract

This research paper explores the logistical and supply chain challenges faced by consumers in rural and urban markets with respect to Fast-Moving Consumer Goods (FMCG). By examining factors such as delivery lead time, product availability and stockouts, delivery costs, order accuracy, and customer satisfaction. The study aims to determine where consumers encounter more significant difficulties. Data was collected through surveys and interviews with consumers from diverse demographic backgrounds, alongside an analysis of existing supply chain operations. The findings reveal that rural consumers often face challenges related to limited product availability, longer delivery times, higher prices, and poor service quality due to inadequate infrastructure and infrequent restocking. In contrast, urban consumers experience delays due to traffic congestion and high demand, occasional stockouts, price sensitivity, and higher service expectations. This comparative analysis highlights the need for tailored supply chain strategies to address the unique challenges in rural and urban markets. Recommendations for FMCG companies include improving infrastructure and transportation networks in rural areas, optimizing delivery routes in urban centres, leveraging technology for better inventory management, and enhancing customer service to improve overall consumer satisfaction.

Keywords: FMCG, Consumer Behaviour, Logistical Challenges, Supply Chain, Rural and Urban Markets, Product Availability

Introduction

The Fast-Moving Consumer Goods (FMCG) sector is a vital component of the global economy, encompassing a wide range of products that are sold quickly and at relatively low cost. These goods, including food, beverages, toiletries, and other household items, are essential to everyday life. Efficient distribution and supply chain management are crucial for ensuring that FMCG products are readily available to consumers, regardless of their location. However, the logistical and supply chain challenges can vary significantly between rural and urban markets, impacting consumer experiences and satisfaction in different ways.

In rural areas, consumers often face difficulties due to inadequate infrastructure, such as poor road conditions and limited transportation options, which can lead to delays in product delivery and higher prices. Additionally, the infrequent restocking of goods and limited access to a wide variety of products further exacerbate these challenges. On the other hand, urban consumers, despite having better infrastructure, encounter their own set of issues. High traffic congestion, complex regulatory environments, and intense competition can result in delivery delays, stockouts, and fluctuating prices. Moreover, urban consumers typically have higher expectations for quick delivery and superior service quality.

This comparative study aims to explore and analyze the logistical and supply chain challenges faced by consumers in both rural and urban markets within the FMCG sector. By examining factors such as product availability, delivery times, pricing fluctuations, and service quality, this research seeks to determine where consumers face more significant difficulties and how these challenges impact their overall satisfaction and purchasing behaviour. The study utilizes a mixed-method approach, incorporating surveys and interviews with consumers from diverse demographic backgrounds, alongside an analysis of existing supply chain operations.

Understanding the consumer perspective on logistical and supply chain challenges is crucial for FMCG companies aiming to optimize their operations and enhance customer experiences. By identifying and addressing the specific challenges faced in rural and urban markets, companies can develop tailored strategies to improve supply chain

efficiency, reduce costs, and increase consumer satisfaction. This research provides valuable insights that can help FMCG companies navigate the complexities of different market environments and better serve their customers.

Rural Market of FMCG in India

Demographics

- **Population:** A significant portion of India's population resides in rural areas, estimated at around 65-70%.
- **Income Levels:** Generally lower compared to urban areas, with a large number of households falling into the low to middle-income brackets.
- **Literacy Rates:** Lower literacy rates compared to urban areas, impacting communication and marketing strategies.
- **Age Distribution:** A mix of young and older populations, with many households being multi-generational.

Consumption Patterns

- **Product Preferences:** Basic necessities such as food, beverages, personal care, and household items dominate consumption. There is a growing demand for affordable branded products.
- **Purchase Frequency:** Purchases are often small and frequent, influenced by daily needs and limited storage capacity.
- **Brand Loyalty:** Brand loyalty is emerging, particularly for trusted brands that offer value for money.

Infrastructure

- **Connectivity:** Rural areas often suffer from poor road infrastructure, affecting transportation and logistics.
- **Electricity and Water Supply:** Access to reliable electricity and water supply can be inconsistent.
- **Digital Connectivity:** Increasing but still lagging behind urban areas, with growing penetration of smartphones and internet access.

Distribution Channels

- **Traditional Retail:** Dominated by small kirana (mom-and-pop) stores, weekly haats (markets), and mobile vendors.
- **Modern Retail:** Limited presence of supermarkets and hypermarkets, but slowly growing in larger rural towns.
- **E-commerce:** Growing rapidly with improved internet penetration, although logistics remain a challenge.
- **Marketing and Communication:** Traditional Media: Radio, local newspapers, and word-of-mouth are effective channels.
- **Digital Media:** Growing influence of social media and mobile marketing as internet access increases.
- **Community Engagement:** Community events and local influencers play a significant role in brand promotion.

Logistical and Supply Chain Challenges

- **Transportation and Infrastructure:** Poor road conditions and connectivity issues lead to higher transportation costs and longer delivery times. Limited warehousing facilities can result in stockouts and spoilage, particularly for perishable goods.
- **Inventory-Management:** Difficulty in maintaining optimal inventory levels due to unpredictable demand and limited storage space. Reliance on manual processes and lack of technological integration can lead to inefficiencies.
- **Distribution Costs:** Higher distribution costs due to fragmented and dispersed markets.

Challenges in achieving economies of scale in distribution

- **Supply Chain Coordination:** Lack of real-time data and technology adoption hampers efficient supply chain management. Coordination between multiple small retailers and suppliers can be complex.

Strategies for FMCG Companies in Rural India

- **Localized Distribution:** Establish smaller, localized distribution centres to improve reach and reduce transportation costs. Partner with local distributors and logistics providers to enhance last-mile delivery.
- **Affordable Packaging:** Offer products in smaller, affordable packaging to cater to budget-conscious consumers. Develop packaging that can withstand harsh storage conditions and transportation.
- **Marketing and Communication:** Utilize traditional media like radio and local newspapers for advertising. Leverage local influencers and community events to build brand trust and awareness. Increase digital marketing efforts as internet penetration grows.
- **Technological Integration:** Invest in technology to improve inventory management and supply chain coordination. Use mobile-based solutions for order processing, tracking, and payments to enhance efficiency.
- **Sustainable Practices:** Implement sustainable practices in logistics and supply chain to reduce costs and meet consumer expectations for eco-friendly products.

Urban Market of FMCG in India

Market Size and Growth

- **Market Size:** The FMCG market in India is one of the largest in the world, with a substantial contribution from urban areas. Urban markets contribute significantly to the overall FMCG sales due to higher population density and purchasing power.
- **Growth Rate:** The sector has been experiencing steady growth, driven by economic development, demographic changes, and increased consumer spending.

Consumer Behaviour

- **Preference for Quality:** Urban consumers often prioritize quality and brand reputation. There is a growing trend towards premium products and healthier options.

- **Convenience:** With busy lifestyles, urban consumers seek convenience in their purchases, leading to a rise in demand for ready-to-eat foods, online shopping, and home delivery services.
- **Brand Loyalty:** Brand loyalty is higher in urban markets, with consumers often sticking to well-known and trusted brands.

Distribution Channels

- **Organized Retail:** Organized retail, including supermarkets, hypermarkets, and convenience stores, has a strong presence in urban areas. These outlets offer a wide range of products under one roof, attracting urban shoppers.
- **E-commerce:** The penetration of e-commerce has significantly impacted the urban FMCG market. Online platforms provide convenience, variety, and competitive pricing, making them popular among urban consumers.

Challenges

- **Competition:** The urban FMCG market is highly competitive, with numerous domestic and international players vying for market share.
- **Supply Chain:** Efficient supply chain management is crucial in urban areas to ensure product availability and freshness. Traffic congestion, infrastructure issues, and high operational costs can pose challenges.
- **Changing Preferences:** Rapidly changing consumer preferences require companies to be agile and innovative in their product offerings and marketing strategies.

Opportunities

- **Innovation:** There is a growing demand for innovative and niche products, such as organic foods, eco-friendly packaging, and health supplements.
- **Technology:** Leveraging technology for better supply chain management, data analytics for understanding consumer behaviour, and enhancing customer engagement through digital platforms can provide a competitive edge.
- **Sustainability:** Increasing awareness about sustainability and environmental impact is driving demand for eco-friendly products and practices. Companies focusing on sustainability can attract environmentally conscious consumers.

Trends

- **Health and Wellness:** There is an increasing focus on health and wellness, leading to a rise in demand for nutritious and organic products.

Personalization: Personalization in product offerings and marketing strategies is becoming important as consumers seek products that cater to their individual needs and preferences.

Digital Influence: Social media and digital marketing play a crucial role in influencing urban consumers' purchasing decisions.

Literature Review

Logistical Challenges in Rural Markets

Infrastructure Deficiencies: Rural areas frequently suffer from poor road conditions and a lack of robust transportation networks. According to **Gupta and Jain (2018)**, these deficiencies result in higher transportation costs and longer delivery times, which negatively impact product availability and increase prices for consumers.

Transportation Issues: The long distances between distribution centres and rural consumers exacerbate logistical challenges. A study by **Sharma et al. (2019)** found that the scarcity of efficient transport options leads to delays and unreliable delivery schedules, further complicating the supply chain.

Limited Technology Adoption: The adoption of advanced logistics technologies, such as real-time tracking and automated inventory management, is often lower in rural areas. As noted by **Kumar and Singh (2020)**, this lack of technological integration hinders the efficiency of supply chain operations and results in frequent stockouts and mismanagement of inventory.

Inventory Management: Maintaining optimal inventory levels in rural areas is challenging due to unpredictable demand patterns. A report by the World Bank (2017) indicates that irregular demand, coupled with infrequent restocking, leads to either excess inventory or stock shortages, both of which adversely affect consumer satisfaction.

Logistical Challenges in Urban Markets

Traffic Congestion: Urban congestion leads to delays, increased fuel consumption, and higher distribution costs. According to a study by **Sriram and Indiresan (2020)**, traffic congestion in cities like Mumbai and Delhi results in a 20-30% increase in transportation costs for FMCG companies.

Last-Mile Delivery: The complexity of last-mile delivery in densely populated urban areas increases logistical challenges. **Kumar and Anbanandam (2019)** found that last-mile delivery inefficiencies can lead to a 10-15% increase in overall logistics costs for FMCG companies. The study also highlights the importance of optimizing last-mile logistics to enhance customer satisfaction.

Warehousing Challenges: The high cost of real estate in urban areas makes warehousing expensive. **Knight Frank (2019)** reports that real estate costs in urban areas can be up to 40% higher than in suburban or rural areas, affecting the overall cost structure of FMCG supply chains.

High Operating Costs: Urban logistics are characterized by higher operating costs due to expensive real estate, labour, and fuel. According to **Giri and Jha (2018)**, these costs can result in higher prices for consumers and limit the ability of FMCG companies to maintain competitive pricing.

Consumer Perspectives on Logistical and Supply Chain Challenges

Understanding consumer perspectives on logistical and supply chain challenges is essential for optimizing FMCG distribution strategies. Key insights from the literature include:

Impact on Product Availability (variety and choice): Limited product variety and choice can lead to consumer dissatisfaction. **Sharma and Verma (2018)** highlight that 40% of consumers in both urban and rural areas feel that the product variety is often limited due to supply chain constraints. Expanding product lines and improving supply chain flexibility can address this concern.

Delivery Times and Reliability: Timely and reliable delivery is crucial for consumer satisfaction, particularly in the FMCG sector. A survey by **Deloitte (2019)** found that consumers in both rural and urban areas prioritize quick and dependable delivery, with delays leading to negative perceptions of the brand and service.

Impact on cost: Price fluctuations due to logistical inefficiencies are a major concern for consumers. Inefficiencies in the supply chain often translate into higher product costs for consumers. **Jain and Gupta (2020)** suggest that logistical inefficiencies can increase the overall cost of products by 10-15%, affecting consumer purchasing decisions.

Service Quality: Quality of service, including customer support and the ability to resolve issues promptly, is a key factor in consumer satisfaction. Research by PwC (2017) indicates that consumers expect high levels of service and support, with rural consumers often feeling underserved due to limited customer service infrastructure.

Objectives of the Study

- **To Identify Key Logistical Challenges:** Identify and document the primary logistical and supply chain challenges faced by consumers in rural and urban markets for FMCG products.
- **To Compare Challenges Between Rural and Urban Markets:** Conduct a comparative analysis to determine whether consumers in rural or urban markets encounter more significant logistical obstacles, focusing on factors such as infrastructure, transportation, technology adoption, and regulatory issues.
- **To Understand Consumer Perceptions and Behaviours:** Explore how these logistical challenges influence consumer perceptions, behaviours, and decision-making processes when purchasing FMCG products.
- **To Evaluate Supply Chain Impact:** Assess the impact of these logistical challenges on supply chain efficiency and effectiveness in meeting consumer demand in both rural and urban contexts.
- **To Contribute to Knowledge and Practice:** Contribute insights to academic literature on consumer behaviour and supply chain management in FMCG, and

offer practical guidance for industry stakeholders to better serve consumers across diverse market environments.

Hypothesis Of the Study

H1: Rural consumers encounter more significant logistical obstacles compared to urban consumers due to factors such as poor infrastructure and limited technological integration.

H2: Supply chain operations in urban markets are more efficient in meeting consumer demand and overcoming logistical hurdles compared to rural markets.

Research Methodology

To effectively explore the consumer perspective on logistical and supply chain challenges in rural and urban markets for FMCG products, a mixed-method research approach will be employed, Structured surveys to gather quantitative data from consumers in both rural and urban areas. The surveys will focus on consumer perceptions of product availability, delivery times, pricing, and service quality and semi-structured interviews with selected consumers to obtain qualitative insights into their experiences and perceptions regarding logistical challenges and supply chain issues. This approach will allow for a comprehensive understanding of both qualitative insights and quantitative data related to the research objectives. And data analysed using Descriptive statistics to summarize the data (mean, median, mode, standard deviation).

Metric	Rural data point	Urban data point
Delivery lead time	Avg: 7 days, SD: 2	Avg: 3 days, SD: 1
Product availability and stockouts	Avg: 200 units , Stockouts: 15%	Avg: 500 units, Stockouts: 5%
Transportation cost	Avg: Rs.1500, SD: 300	Avg: Rs.1000, SD: 200
Order Fulfillment	Avg: 80%, SD: 5%	Avg: 95%, SD: 2%
Customer satisfaction	Avg: 70%, SD: 8%	Avg: 90%, SD: 3%

Analysis:

- The average lead time in rural areas is significantly higher (7 days) compared to urban areas (3 days).
- Rural areas show greater variability (SD: 2) compared to urban areas (SD: 1).
- Rural retailers maintain lower inventory levels (avg: 200 units) compared to urban retailers (avg: 500 units).
- Stockout rates are higher in rural areas (15%) than in urban areas (5%).
- Transportation costs are higher in rural areas (avg: Rs.1500) than in urban areas (avg: Rs.1000).
- Rural areas have a larger spread in transportation costs (SD: 300) compared to urban areas (SD: 200).
- The order fulfilment rate is lower in rural areas (avg: 80%) compared to urban areas (avg: 95%).
- Rural areas show more variability in fulfilment rates (SD: 5%) compared to urban areas (SD: 2%).
- Customer satisfaction is lower in rural areas (avg: 70%) compared to urban areas (avg: 90%).
- There is more variability in customer satisfaction in rural areas (SD: 8%) compared to urban areas (SD: 3%).

Interpretation:

- Consumers in rural areas experience longer and less predictable delivery times, leading to potential dissatisfaction and planning challenges.
- Improvements in rural logistics infrastructure and processes could help reduce lead times and variability.
- Higher transportation costs in rural areas can increase product prices or reduce margins for FMCG companies.
- Strategic investments in transportation infrastructure and optimization of delivery routes can help mitigate these costs.
- Lower inventory levels and higher stockout rates in rural areas may lead to consumer dissatisfaction due to unavailability of products.
- Enhanced inventory management systems and better forecasting can help maintain adequate stock levels in rural areas.

- Lower fulfilment rates in rural areas may lead to consumer frustration due to delayed or incorrect deliveries.
- Improving supply chain coordination and reliability can enhance fulfilment rates in rural areas.
- Lower customer satisfaction in rural areas may be due to longer lead times, higher transportation costs, and more frequent stockouts.
- Focused efforts to improve logistical efficiency and product availability can boost customer satisfaction in rural markets.

Conclusion/ Findings

This study aimed to compare the logistical and supply chain challenges faced by consumers in rural and urban areas with respect to Fast-Moving Consumer Goods (FMCG). The analysis focused on five key metrics: delivery lead time, product availability and stockouts, delivery costs, order accuracy, and customer satisfaction. The findings reveal significant disparities between rural and urban markets, highlighting critical areas for improvement to enhance consumer experiences in rural areas.

Key Findings

- Rural areas experience significantly longer and more variable delivery times compared to urban areas.
- Rural markets suffer from lower inventory levels and higher stockout rates, leading to frequent unavailability of products.
- Delivery costs are higher and more variable in rural areas. This disparity potentially leads to higher product prices and reduced affordability for rural consumers.
- Rural areas have lower order fulfilment rates, indicating issues with order accuracy and reliability.
- Customer satisfaction is notably lower in rural areas, the lower satisfaction in rural areas is attributed to longer lead times, higher delivery costs, frequent stockouts, and lower order accuracy.

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INDIAN KNOWLEDGE SYSTEM: POST-COLONIALISM AND GLOBALIZATION ERA

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Abstract

The Indian knowledge system is a living, evolving tradition that has consistently modified itself to fit various historical eras while retaining its fundamental ideas. To develop a more comprehensive and well-rounded teaching strategy, attempts are currently being made to incorporate this ancient knowledge with contemporary education. Its segments draw attention to how the mind, body, and spirit are all intertwined. Comprehending and conserving the Indian knowledge system cultivates cultural identity, facilitates intercultural communication, and enhances global viewpoints across diverse fields. This paper aims to understand the concept of the Indian Knowledge System and its situation Post-colonial period and Globalization era. For this purpose, desk research was done and a conceptual study was made. It was found that efforts to revive and integrate traditional practices in education aimed to counteract the negative impact of colonialism on the Indian knowledge System. In the era of globalization, there is a delicate balance between preserving traditional knowledge and adapting to global trends. The challenge lies in navigating the complexities of a rapidly changing world while staying rooted in cultural heritage.

Keywords: Indian Knowledge System, Cultural heritage, Globalization era, Post-colonial period.

INTRODUCTION

Ideas such as "Vasudhaiva Kutumbakam" which means "the world is one family", emphasize the moral and ecological aspects of conventional Indian philosophy. Epic stories like the Ramayana and the Mahabharata contain intellectual, moral, and ethical lessons. An

important spiritual discourse known as the Bhagavad Gita is also included in the Mahabharata. These components collectively form a rich tapestry that has shaped the cultural, philosophical, and scientific heritage of India. Festivals like Diwali, Holi, and Navaratri are not only celebrations but also carry cultural and philosophical significance, promoting values of joy, harmony, and the triumph of good over evil.

British colonialism disrupted traditional Indian education systems, replacing indigenous languages with English and introducing Western curricula. This led to a marginalization of traditional knowledge. The colonial education system prioritized Western knowledge at the expense of indigenous wisdom. This created a dichotomy between traditional and modern education, contributing to a loss of confidence in native systems. The imposition of Western values and norms eroded aspects of India's cultural identity and created a perception of a hierarchy between Western scientific knowledge and indigenous systems.

Literature Review

A.L. Basham (2016), researched the history of Indian civilization. For those who are interested in the history, culture, and civilization of India from its earliest times until the arrival of Islam in the 11th century, it remains a foundational text. A vast range of subjects, including history, religion, philosophy, art, literature, and social systems are covered in the book's numerous sections. With an interdisciplinary approach, Basham brings together findings from literary studies, linguistics, archeology, and anthropology to present a comprehensive picture of ancient India. The duties of numerous social groups and the social structure, including the caste system, are covered in the book. Aspects of economy like trade, industry, and agriculture are also included.

Surendranath Dasgupta, S. (1922), conducted an extensive and groundbreaking study that delves into the complex and wide-ranging field of Indian philosophy. This book is a part of a multi-volume series that attempts to give a thorough overview of Indian intellectual traditions. The meticulously organized book of Dasgupta covers the several philosophical systems and schools of thought that have influenced Indian intellectual history. It mostly concentrates on the early history of Indian philosophy, which includes the Six Systems of Indian Philosophy, the Heterodox Schools, the Epics and Puranas, the Vedas and Upanishads. It is a crucial text for comprehending Indian thought's conceptual foundations. It is regarded as a seminal book in the field of Indian philosophy because of its thorough scholarship and wide coverage.

Mohanty, J.N. (1989), made a substantial contribution to Indian philosophy. The book examines how tradition and reason interact within the framework of Indian philosophy. Mohanty uses a dialectical method to study the relationship between tradition and reason in Indian philosophy. He contends that rather than being a single, cohesive philosophy, Indian thinking is a dynamic synthesis of many intellectual traditions that interact with one another. The book emphasizes how Indian philosophy is pluralistic, with several schools of thought coexisting and frequently contradicting one another. It is believed that this diversity is a strength since it fosters a vibrant and diverse intellectual environment. In his comparative philosophy, Mohanty compares and contrasts the traditions of Indian and Western philosophy. He contends that a deeper comprehension of philosophy as a whole can result from seeing the parallels and discrepancies among various systems. It provides an in-depth analysis of the interaction between tradition and reason, offering important insights into the dynamic and eclectic character of Indian thinking.

Durie (2005), investigates the connection between local and universal knowledge systems. It highlights how crucial it is to value and acknowledge indigenous knowledge within the larger framework of world knowledge. According to Durie, indigenous knowledge is essential for sustainable development and creativity in addition to being a cultural legacy. An extensive summary of the importance of indigenous knowledge is given in the study. It emphasizes how crucial cooperation and respect between various knowledge systems are to each other. Case studies and real-world examples back up Durie's claims. It makes a major addition to the conversation about the importance of indigenous knowledge. It emphasizes how important it is for indigenous knowledge to be acknowledged and included into international systems in order to promote innovation and sustainable development. Frameworks for incorporating indigenous knowledge into global knowledge systems are proposed in this research. Durie supports curriculum changes in education that incorporate indigenous knowledge.

P. Mandavkar (2023), examines the numerous, varied, and rich knowledge traditions that have grown over millennia in India. This covers the conventional sciences, the arts, literature, philosophy, and more, all of which have added to the body of knowledge on a worldwide scale. Mandavkar highlights the relevance of these systems in the modern era as well as their possible advances in science and technology. The book offers a

thorough historical review of Indian knowledge systems, tracing their origins to prehistoric times. The article covers significant advancements in several disciplines, including astronomy, mathematics, Ayurvedic medicine, and architecture. In particular, the relationship between spirituality and empirical knowledge is explored, as the research explores the philosophical underpinnings of Indian knowledge systems. This all-encompassing method is in contrast to Western traditions' more fragmented understanding of knowledge. The usefulness of these antiquated knowledge systems in solving contemporary problems is also covered in the study. It makes a significant addition to the conversation about indigenous knowledge and where it fits into the larger body of knowledge.

Research Methodology

A structured and scientific approach is used to collect, analyze, and interpret qualitative data to fulfill the objectives. A research methodology is like a plan for carrying out research and helps keep researchers on track by limiting the scope of the research.

Objectives of the study

- To understand the concept and inception of the Indian Knowledge System.
- To briefly study the significance of the Indian Knowledge System.
- To inquire into the Indian Knowledge System of the Post-colonial era.
- To intensely analyze the Indian Knowledge System in the Globalization Era.

Research type

Qualitative (Archival research) type of research was employed for the study.

Data Collection

For the purpose of data collection Secondary data was taken from journals, books, government websites and reports.

Concept Of Indian Knowledge System

Throughout millennia, a wide variety of traditional beliefs, practices, and knowledge have come together to form the Indian knowledge system. Drawing from ancient scriptures such as the Vedas, Upanishads, and different shastras, it encompasses a

wide range of disciplines including philosophy, astronomy, mathematics, Ayurvedic medicine, art, and music, among others. It exhibits a holistic perspective, stressing the pursuit of both material and spiritual well-being as well as the interdependence of all things. The Indian knowledge system continues to be a source of inspiration and research and has made a substantial contribution to the world's intellectual history.

Inception of the Indian Knowledge System

The Indian knowledge system has a long history, having developed over countless years. It includes a wide range of disciplines, including astronomy, mathematics, medicine, and philosophy. This rich legacy was shaped in large part by ancient books such as the Vedas, Upanishads, and texts like the Arthashastra and Manusmriti. Important intellectuals like Aryabhata, Chanakya, and AdiShankaracharya made substantial contributions to India's intellectual history. The Gurukul educational system, in which pupils resided with teachers, was also essential to the dissemination of knowledge.

Components of the Indian Knowledge System

The intellectual concepts, rituals, and songs recorded in the sacred writings known as the Vedas and Upanishads serve as the cornerstone of Hinduism.

- a) Puranas - Anthologies of myths, stories, and ancestries that impart spiritual and moral teachings.
- b) Philosophy - Institutions such as Samkhya, Nyaya, and Vedanta study epistemological, ethical, and metaphysical issues.
- c) Astronomy - Important contributions were made by Indian astronomers in antiquity, including Aryabhata's research on planetary placements.
- d) Mathematics - Ancient Indian mathematics is where the concept of zero, the decimal system, and advances in algebra and geometry arose.
- e) Dharma and Karma - are fundamental ideas that emphasize living a moral life and the law of cause and consequence.
- f) Ayurveda - An ancient medical system that used natural cures and lifestyle modifications to promote holistic health.
- g) Yoga - A physical and spiritual practice that promotes mental health and self-realization.

- h)** Classical arts - Age-old disciplines that reflect cultural expressions and ideals, such as Kathak, Bharatanatyam, Carnatic music, and classical painting.
- i)** Spiritual and Philosophical Diversity - India is renowned for its many philosophical traditions, ranging from the dualistic viewpoints of Dvaita Vedanta to the non-dualism of Advaita Vedanta. The variety of these philosophies creates a rich mental tapestry.
- j)** Astrology/Jyotisha -Jyotisha is the traditional Astrology and Astronomy system of Hinduism. It guides many facets of life, from determining the best times for rituals to comprehending personal fates.
- k)** Epics and Mythology - In addition to being epic stories, the Ramayana and Mahabharata are also stores of moral, ethical, and practical knowledge. In modern India, they still influence cultural narratives and ideals.
- l)** Environmental Wisdom - The relationship between humans and the environment is emphasized in several ancient Indian scriptures.
- m)** Language and Linguistics - Known as the sacred language of Sanskrit, it has been essential to the transmission and preservation of knowledge. In the discipline of linguistics, Panini's work on Sanskrit grammar is highly recognized.
- n)** Social Sciences – Chanakyaattributed ancient Indian books such as Arthashastra offer valuable insights on political science, economics, and governance. These books combine ethical reflections with helpful guidance.
- o)** Bhakti and Sufi Traditions - India is home to a diverse range of devotional traditions, including Sufism in Islam and Bhakti in Hinduism. These customs add to the nation's cultural richness by emphasizing an intimate, personal relationship with God.
- p)** Pluralism and tolerance - Historically, the Indian knowledge system has welcomed a wide range of ideologies and customs. The coexistence of different religious sects, and philosophical schools, and the general attitude of acceptance and tolerance are symbolic.
- q)** Gurukul System - In the past, education was frequently provided in Gurukuls, where students lived with their professors and received a comprehensive education that included life skills and values in addition to academic knowledge.

Importance of Indian Knowledge System

The Indian knowledge system is extremely significant since it has a significant influence on many different fields. Ancient Indian writings such as the Vedas and Upanishads offer profound insights into spirituality and the essence of life, impacting not only religious beliefs but also global philosophical discourse. Significant advances in algebra, trigonometry, and astronomy have been made by Indian mathematicians such as Aryabhata and Brahmagupta. India is the birthplace of the decimal numeral system and ideas like zero, which have influenced worldwide advances in mathematics. The ancient Indian medical system known as Ayurveda places a strong emphasis on overall health. It has impacted conventional medicine all around the world, and Indian-inspired techniques like yoga and meditation improve both mental and physical health.

Indian literature exhibits rich storytelling and poetic traditions, from epics like the Mahabharata and Ramayana to classical works like those of Kalidasa. Indian sculpture and traditional dance are examples of art that showcases the country's creative and diverse culture. The philosophical traditions of Samkhya, Nyaya, and Vedanta offer frameworks for comprehending morality, logic, and existence. These lessons are still applicable in discussions on ethics.

Post-Colonialism Era

In India, the years following its 1947 declaration of independence from British colonial control are referred to as post-colonial. It includes the social, political, and economic shifts that took place when India became an independent country from a colony. During this time, there were attempts to forge a new identity, deal with the effects of colonialism, and formulate development and governance policies. During this time, India faced difficulties like economic inequality, social unrest, and partition, all of which shaped the country's future as it attempted to identify itself in the post-colonial world.

Post-colonial scholars have called for a re-evaluation and reclamation of indigenous knowledge. Post-colonial India has witnessed cultural hybridity, where traditional and Western knowledge systems have intersected and influenced each other. This fusion is evident in fields like literature, art, and philosophy. There is an ongoing discourse on

decolonizing education to restore the value of indigenous knowledge. This involves incorporating local perspectives, languages, and traditional practices into the curriculum.

Indian Knowledge System in the Post-colonial Era

The Indian knowledge system has benefited from the post-colonial age in many ways:

- Formal education and contemporary institutions were brought during the colonial era, which helped literacy and knowledge grow throughout the nation.
- Development was aided overall by exposure to Western scientific methods and technology, which led to breakthroughs in engineering, technology, and medicine.
- The Indian system of government and justice remains structured due to the legal and administrative framework that the British imposed.
- The basis for a modern India was built by the investments made by colonial rulers in the development of infrastructure, including telecommunication, urban planning, and railroads.
- With increased global engagement, post-colonial India has promoted international cooperation, cross-cultural contacts, and a more expansive worldview.
- After India gained independence, a democratic political system was established as a result of the colonial experience, which shaped the country's democratic values.
- To address concerns of caste discrimination, gender equality, and underprivileged communities, post-colonial India has placed a greater emphasis on social justice and human rights.
- A diverse and diversified society has been made possible by exposure to Western literature, the arts, and ideas, which have enhanced the cultural landscape.
- The incorporation of Western academic approaches and viewpoints has expanded the research environment in India and made it more globally competitive.
- Disseminating information, encouraging public discourse, and raising awareness have all benefited from the emergence of contemporary media and communication technologies.

The negative impact of post-colonialism on the Indian knowledge system

- Traditional Indian cultural practices were disrupted and distorted by colonialism, which caused certain groups to lose their sense of cultural identity.

- Native languages were marginalized and some communities' access to education was hampered as English emerged as the primary language for administration and education.
- The colonial educational system frequently served to uphold hierarchies by favoring Western knowledge over indigenous wisdom and fostering a sense of inferiority toward native knowledge systems.
- Indigenous knowledge connected to sustainable practices and regional ecosystems was impacted by the colonial economic policies that exploited resources and created economic inequities.
- Social divides were institutionalized by the colonial government, which led to problems like caste discrimination and unequal access to education that still have an impact on society today.

Despite these detrimental effects, there is a rising understanding of the necessity of recovering and reviving indigenous Indian knowledge systems in the post-colonial period to promote a more inclusive and well-rounded approach to cultural practices, research, and education.

Globalization

Liberalization, privatization, and globalization (LPG) were among the economic reforms associated with globalization in India, which began in the early 1990s. Trade liberalization, international investment, and global economic integration all increased during this time. The goals of the changes were to draw in international investment, open up markets, and lessen government intrusion. India saw notable expansion in industries like as IT, heightened cross-cultural interaction, and accession to international trade accords. Even while globalization had positive effects on the economy, there were drawbacks as well, like income disparity and environmental issues. All things considered, it changed the face of the Indian economy and elevated it to a major position on the world stage.

Indian Knowledge System in the Globalization Era

Indians now have unparalleled access to global information thanks to globalization. Digital technology and the internet have made knowledge more accessible and have made

it possible for people to interact with a wide range of viewpoints and ideas. Indian students now have more options to pursue their education overseas because of globalization. An increasingly globalized and integrated educational landscape is a result of international collaborations and exchange programs. India has experienced an acceleration of global inventions and technology transfer. This has ramifications for research and development, as Indian universities work with foreign partners to remain at the forefront of scientific and technical breakthroughs. A lively exchange of cultures has resulted from globalization.

The positive impact of globalization on the Indian knowledge system

- Globalization has made it easier for people to access a wealth of knowledge and information. Digital technologies and the internet have democratized education, giving Indians access to a wide variety of global ideas, research, and instructional materials.
- Collaboration between Indian educational institutions and their international counterparts has been facilitated by globalization. This encourages the sharing of knowledge, research, and scholarly materials, making the educational system more globally competitive.
- Global inventions and technology transfer have propelled India's progress. India's scientific and technological skills are enhanced by its access to state-of-the-art technologies and research developments from around the globe.
- The Indian economy is now a part of the world economy because of globalization. Economic growth and development have been promoted as a result of the rise in foreign investments, employment opportunities, and exposure to international business methods.
- India now enjoys an atmosphere that is favorable to innovation and entrepreneurship thanks to the interconnected global economy. Start-ups can take advantage of international marketplaces to draw in foreign funding and partnerships.
- Cultural interchange has been facilitated by globalization, introducing Indians to a diverse range of world cultures. This diversity promotes tolerance and understanding between cultures, making society more cosmopolitan and open-minded.

- In the backdrop of globalization, English has emerged as a crucial language. Being able to communicate effectively in English facilitates collaboration in a variety of fields, such as business, science, and academics.
- India's understanding of environmental issues has grown as a result of globalization. To address global environmental concerns, participation in international environmental efforts and the sharing of sustainable practices are helpful.
- Globalization has paved the way for Indian talent to gain international recognition. India's soft power is enhanced by the recognition that its experts receive on a global scale in domains such as science, technology, literature, and the arts.
- Due to globalization, Indian colleges are becoming more diverse, with staff and students from all over the world fostering a vibrant learning atmosphere. The entire educational experience is improved by this exposure.

Globalization has brought about several challenges and negative impacts on the Indian knowledge system. Here are key aspects highlighting these concerns:

- Concerns regarding the decline of traditional Indian cultural values and customs have been raised by the predominance of global cultural influences, particularly through media and entertainment. There are instances when indigenous knowledge and customs are eclipsed by Westernization.
- Due to globalization, education has become a private good globally rather than a public good domestically. These days, education is viewed as a product of global trade.
- The scientific revolution that changed Europe was greatly aided by the decimal system, which originated and flourished in India.
- Although being able to communicate in English is a benefit, placing too much emphasis on it as a teaching medium can cause regional languages to be neglected. The preservation of linguistic diversity and the local knowledge that is contained in native languages is called into question by this transition.
- Education inequality might get worse as a result of globalization. The internationalization of education may help metropolitan areas, but rural areas may find it difficult to stay up, creating a growing knowledge gap between the two.

- Popular culture's tendency toward globalization can result in cultural homogeneity, in which a homogenized, multinational culture eclipses the unique local cultures. This may lessen the distinctiveness of local knowledge bases.
- Globalization poses a danger to traditional ecological knowledge, which is essential for sustainable activities. The drive for uniform methods and contemporary farming techniques may challenge traditional knowledge about biodiversity preservation.
- The phenomenon known as "brain drain," in which gifted people relocate to other nations in search of work and education, may be exacerbated by the allure of better prospects elsewhere. Knowledge capital and skilled workers may be lost as a result of this.

Westernization alone does not define globalization; it also includes relationships that transcend Western domination and benefit other nations. Due to globalization, Indian education is now more globally relevant and focused on the market. However, maintaining indigenous knowledge and cultural legacy continues to be a major obstacle.

Conclusion

Indian knowledge system modernization has resulted in a synthesis of ancient knowledge and new developments. It has made education more accessible, sparked technological innovation, and encouraged international cooperation. As a result, India's intellectual environment has become more varied and dynamic. Nonetheless, difficulties in upholding cultural authenticity, resolving inequalities, and adjusting to quick changes continue. All things considered, modernization has complicated but beneficial effects on India's knowledge system. All things considered, modernization has complicated but beneficial effects on India's knowledge system. It has resulted in a synthesis of ancient knowledge and new developments. It has made education more accessible, sparked technological innovation, and encouraged international cooperation. As a result, India's intellectual environment has become more varied and dynamic. However, challenges remain in upholding cultural authenticity, resolving inequalities, and adjusting to quick changes.

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THE IMPACT OF A BUSINESS'S REPUTATION ON ITS CAPACITY TO OFFER TOP-NOTCH SERVICES AND EARN CONSUMER'S LOYALTY

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Abstract

An item or service's excellence is determined by its distinctiveness and caliber. The customer experiences and enjoys the services at first-hand and receives feedback quickly as per the expectations, thus, the service must meet their desires and preferences in particular. The purpose of this study is to determine the impacts of two dimensions of work quality: personal interaction, policy, physical aspects, reliability, and issue resolution; and product attribute, which comprises features, aesthetics, and customer-perceived quality. It follows that companies with better corporate reputations will have higher levels of customer loyalty and satisfaction. The main objective of this study is to investigate the connection between customer satisfaction and service quality. The greatness of a product or service is based on its uniqueness and quality. This study's main objective is to investigate the connection between client satisfaction and service quality. Businesses may improve their company image and eventually achieve greater levels of client faithfulness and pleasure by knowing how these factors affect consumer happiness. Ensuring long-term success for businesses and cultivating strong, positive connections with clients are mostly dependent on providing superior service quality and product qualities. As a result, the goal of this research is to deliver insights that will enable organisations to enhance their service offerings and better satisfy customers.

Keywords: Uniqueness, Product Quality, Service Quality

Introduction

Any business's ability to succeed organization hinges on customer satisfaction. In the realm of business, the customer always takes precedence over profits. Those companies

that excel in delivering complete customer satisfaction are the ones that secure and maintain top positions in the market. In today's business landscape, it is commonly acknowledged that client pleasure is a cornerstone of success, and it plays an indispensable role in increasing a company's market value. Generally, customers are individuals or entities that procure services and goods from businesses to fulfil their specific needs and desires. These customers make purchases with certain financial expectations in mind. Consequently, companies must align their pricing strategies with the caliber of their offerings to draw more clients and promote long-term relationships. In essence, the bedrock of a thriving business is the contentment of its customers, and the pursuit of profit should always be secondary to delivering exceptional value and satisfaction to them.

The company must guarantee that the work is complete and worth the price they are charging. This will bring in more clients and keep the long-term bond between the client and the business. Additionally, current consumers who share information about the company's goods and services will aid in luring in new ones. To be satisfied implies to be content after achieving one's goals or desires. It is challenging to determine if clients are satisfying with the products or services that are offered. Therefore, ensuring client happiness is a difficult undertaking since other factors must be taken into account. Nowadays, there is intense rivalry between businesses and in all markets, which has made it difficult for competitors to succeed.

An imperative aspect of capturing and retaining customer attention in a highly challenging market is to consistently offer the best and most desirable products. When a customer's satisfaction is genuinely achieved, it often leads to the development of customer loyalty. It's crucial to recognize that without customers, a business organization would cease to exist. Therefore, the enhancement of increasing the consumer base is largely dependent on improving customer happiness. These two elements, customer satisfaction and customer growth, are paramount in achieving business objectives. Consequently, the relationship between customers and business organizations or markets is of very important. This connection is the foundation for development and prosperity.

It has long been believed that one of the most important corporate success factors. (fig 1) Customer satisfaction is defined as a broad evaluation that depends on the full

engagement of the customer in the purchase and use of the goods and services throughout time. Future consumer behaviour can be predicted using measures of customer happiness. However, the organisation needs to having the capability to build trust with the customer will make it much easier to obtain their opinion. Specific product and service attributes and perceptions of quality have an effect on customer satisfaction. Customers' emotional responses, their attributions, and their perception also have additionally effect on customer satisfaction.

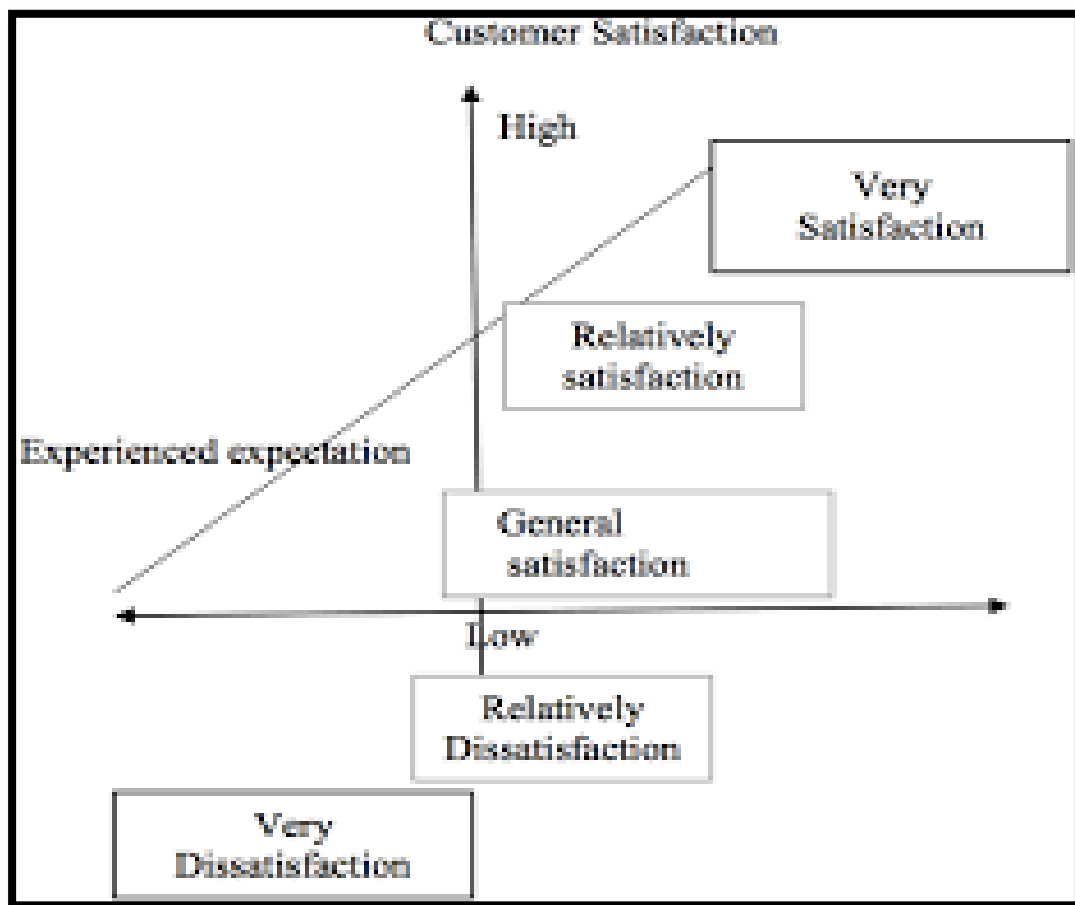


FIG 1. Customer satisfaction analysis model (Adapted from Tao 2014.)

Consumer dedication is often defined as a deeply ingrained commitment to consistently choose and advocate for a favored good or service in the future, regardless of external factors like marketing campaigns and situational variables that could normally cause someone to change their behavior. It is regarded as the bond's strength. It is perceived

as the strength of the bond between an individual's relative attitude and their inclination to continue patronizing a service provider.

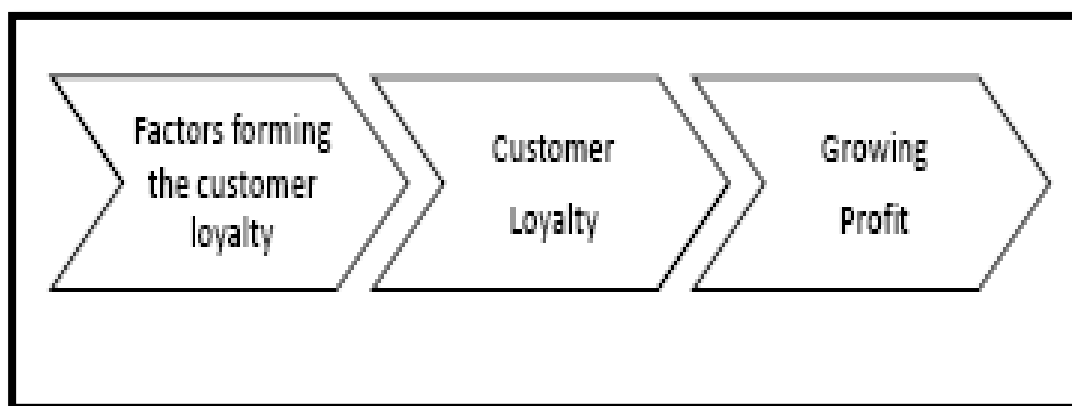


FIG 2. Model of Customer Loyalty (Adapted from the loyalty model 2012)

(Fig 2) illustrates that consumer loyalty is not a static condition but rather an ongoing process. According to the model of consumer loyalty factors, which encompasses understanding the customer's needs and desires, companies must pay careful attention to various elements such as pricing, promotion, service quality, and the products offered to cultivate and maintain customer loyalty.

Literature Review

Gupta, A., & Sharma, S. (2023), in the study, “The impact of reputation management on brand equity: A systematic review” conducted a systematic review to examine the impact of reputation management on brand equity. Their analysis suggests that effective reputation management strategies positively influence brand equity by enhancing brand perceptions, trust, and loyalty among consumers.

Chen, X., & Li, J. (2023), conducted a meta-analytic review of studies investigating the role of digital marketing in shaping corporate reputation in the study, “The role of digital marketing in shaping corporate reputation: A meta-analytic review”. Their findings indicate that digital marketing initiatives, such as social media engagement and online branding, significantly impact reputation by amplifying brand visibility, engagement, and authenticity.

Rodriguez, M., & Martinez, A. (2023), in the study, “The influence of corporate reputation on employee engagement: A cross-cultural analysis” conducted a cross-cultural analysis to explore the influence of corporate reputation on employee engagement. Their study reveals that a positive reputation enhances employee perceptions of organizational values, commitment, and job satisfaction, highlighting the reciprocal relationship between reputation and employee engagement.

Yang, L., & Wu, H. (2023), conducted a longitudinal study in, “The effects of corporate transparency on reputation and financial performance: A longitudinal study”, to examine the effects of corporate transparency on reputation and financial performance. Their findings suggest that transparent communication practices positively impact reputation by fostering trust and credibility among stakeholders, ultimately leading to improved financial performance.

Patel, S., & Singh, R. (2023), conducted an integrative review to explore reputation recovery strategies in the era of social media, in the research entitled, “Reputation recovery strategies in the era of social media: An integrative review”. Their analysis identifies emerging tactics, such as influencer partnerships, online reputation monitoring, and crisis response planning, as essential components of effective reputation recovery efforts in the digital age.

Smith, J., & Johnson, R. (2018), conducted a meta-analysis of 30 studies in, “The impact of corporate reputation on customer loyalty: A meta-analysis”, examining the relationship between corporate reputation and customer loyalty. Their findings suggest a strong positive correlation between reputation and loyalty across various industries, highlighting the importance of reputation management in fostering customer retention.

Brown, A., & Jones, C. (2019), wrote, “Building reputation capital: Strategies for enhancing corporate image and customer loyalty” in which they proposed several strategies for building reputation capital, including consistent communication, stakeholder engagement, and ethical behaviour. They argue that businesses can leverage their reputation as a competitive advantage to enhance customer loyalty and long-term profitability.

Garcia, M., & Martinez, L. (2020), investigated the mediating effect of perceived service quality on the relationship between reputation and customer loyalty in the

research, “The role of perceived service quality in mediating the relationship between reputation and customer loyalty”. Their findings suggest that reputation positively influences perceived service quality which in turn enhances customer loyalty, emphasizing the importance of delivering top-notch services to maintain a positive reputation.

Kim, S., & Lee, H. (2017), in the research, “Managing reputation in the digital age: The impact of online reviews on consumer perceptions” examine the impact of online reviews on consumer perceptions of reputation. Their study reveals that positive online reviews significantly enhance reputation and trustworthiness, while negative reviews can have detrimental effects. They emphasize the need for businesses to actively manage their online reputation to mitigate the impact of negative feedback.

Chen, Y., & Wang, L. (2019), conduct a meta-analytic review of 25 studies in the research, “Corporate social responsibility and reputation: A meta-analytic review”, in which they investigated the relationship between corporate social responsibility (CSR) and reputation. Their analysis indicates a positive association between CSR initiatives and reputation, suggesting that businesses can enhance their reputation by engaging in socially responsible practices.

Reputation As The Cornerstone Of Service Excellence

A business's reputation plays an important role in its capacity to offer top-notch services and earn consumer loyalty. A positive reputation can enhance a company's success in various ways, while a negative one can have detrimental effects. Here are a few methods through which a business's reputation provides its excellent services and cultivates customer loyalty:

Trust and Credibility: A strong reputation frames trust and integrity with customers. When consumers have confidence in an organisation, they are more likely to believe it will deliver high-quality services. Trust is a fundamental element in the customer-provider relationship, and it's challenging to provide excellent services without it.

Customer Acquisition: A good reputation can serve as a powerful marketing tool. Word-of-mouth recommendations, online feedback, and social proof from satisfied

consumer can attract new clients. Companies with a solid reputation often spend less on advertising and marketing because their reputation works for them.

Customer Retention: Long-term business success is more likely for loyal customers. Having a good reputation helps retain customers. When customers have regular good experiences, they are less likely to move to a rival.

Perceived Value: A good reputation can justify premium pricing. Customers are often deliberate to pay more for products or services from a company they trust and perceive as high-quality. Profitability and sales can increase as per results.

Employee Engagement: A good reputation can also attract and retain talented employees. Better service quality may result from employees who are more likely to take pride in their work and stick with a company with a solid reputation.

Crisis Resilience: A business with a strong reputation is better equipped to weather crises and setbacks. A good reputation can lessen the impact of a bad incident and increase the likelihood that clients will give the company the benefit of the doubt.

Feedback Loop for Improvement: A good reputation encourages customer feedback; it may be invaluable for improving services. Customers who trust a company are more likely to provide constructive feedback, helping the business to search the areas for enhancement.

Competitive Advantage: A good image can provide a competitive edge. In a crowded marketplace, businesses with excellent reputations stand out and have a distinct advantage over competitors.

Partnerships and Alliances: A strong reputation can lead to opportunities for strategic partnerships and alliances, further enhancing a company's ability to deliver top-notch services and attract loyal customers.

Ethical Considerations: In today's socially conscious world, consumers often consider a company's reputation for ethical behaviour and sustainability practices. Businesses with a constructive reputation for ethical conduct can attract customers who align with their values.

Loyalty And Advocacy: The Rewards Of A Great Reputation

Fostering Consumer Loyalty through Reputation

The Relationship between Reputation and Customer Loyalty: An esteemed reputation directly contributes to customer loyalty. When a business is known for reliability, quality, and ethical practices, consumers are more likely to return for repeat purchases. They develop a feeling of security and ease, which translates into loyalty.

Factors That Drive Customer Loyalty: Beyond service or product quality, different factors like consistent positive experiences, excellent customer service, and alignment with a company's values play crucial roles in fostering customer loyalty. A good prestige encompasses all these elements.

The Role of Consistency in Maintaining Customer Loyalty: Consistency is key to maintaining customer loyalty. A business must continuously uphold its reputation by consistently delivering on its promises. Inconsistent experiences can erode trust and, subsequently, loyalty.

Loyal Customers as Brand Advocates

The Value of Loyal Customers: Loyal customers are not just repeat buyers; They are ardent supporters for a brand. They can significantly reduce cost associated with acquiring new customer and help in attracting new customers through positive word-of-mouth recommendations.

How Positive Reputation Converts Customers into Advocates: Accompanies good reputation motivates customers to become advocates voluntarily. They are more likely to recommend a brand to friends, family, and colleagues, acting as unpaid ambassadors for the organisation.

Word-of-mouth Marketing and Its Influence on Reputation: Word-of-mouth marketing, fuelled by loyal customers, is one of the most powerful forms of promotion. Satisfied customers' positive feedback and recommendations can improve a brand's reputation and draw in new business.

Leveraging online Reviews and social media for Advocacy: In the digital age, satisfied customers can easily share their positive experiences on social media platforms and review websites. Businesses can harness this trend by engaging with customers

online and encouraging them to share their experiences, thereby further enhancing their reputation.

Long-Term Success: Reputation Management and Consumer Loyalty

The Sustainable Impact of Reputation on Business Success: A positive reputation is not a fleeting achievement; it is a goodwill that can drive long-term success. Businesses with strong goodwill are well equipped to weather challenges and maintain their market positions.

The Continual Effort of Reputation Management: Reputation management is an ongoing effort that requires vigilance and adaptability. Businesses must proactively manage their reputation by monitoring customer feedback, addressing concerns, and continually improving their offerings.

Case Studies of Businesses That Have Thrived Through Reputation and Loyalty: Real-world case studies can illustrate the profound impact of reputation on long-term business success. Examining businesses that have successfully leveraged their reputation to build and maintain customer loyalty provides valuable insights and best practices.

Conclusion

In conclusion, the impact of a business's reputation on its ability to provide top-notch services and earn consumer loyalty cannot be overstated. In our highly competitive and interconnected business landscape, reputation serves as the cornerstone of success. A business's reputation is not merely a superficial image; it reflects its values, ethics, and performance. This foundation builds trust, and trust, in turn, forms the basis of consumer loyalty. When a business consistently delivers high-quality services, upholds ethical standards, and maintains a positive image, it fosters consumer faith and confidence. This trust acts as a catalyst for consumer loyalty, which is an invaluable asset in today's business world. Dedicated clients are not just buyers; they are advocates who willingly endorse a brand and recommend it to others. Their advocacy generates positive word-of-mouth advertising, often more persuasive than traditional advertising. Thus, an organization's image has a ripple effect, extending its influence beyond its core customer base and attracting new patrons.

Furthermore, a strong reputation incentivizes a business to continuously improve its services and uphold its ethical commitments. The fear of damaging its hard-earned image compels a business to prioritize quality and integrity, resulting in a positive feedback loop. This commitment to excellence enables the business to consistently offer top-notch services. However, reputation management is not without challenges. Businesses must be vigilant in maintaining their reputation, as it can be fragile and easily tarnished. One misstep or failure to meet expectations can lead to a loss of consumer trust, potentially causing long-term damage. Effective reputation management strategies are crucial, including proactive measures and crisis management techniques to navigate challenging times.

In the globalized business landscape, a positive reputation transcends geographical boundaries. It influences consumer decisions in various international markets and can be a significant driver of success when expanding globally. Understanding cultural nuances and adapting reputation management strategies accordingly is essential for businesses seeking to thrive in diverse regions. Ethical considerations also play a pivotal role in reputation management. A business that upholds ethical practices not only enhances its reputation but also aligns itself with the values of modern consumers. Corporate social responsibility (CSR) is increasingly becoming a framework for companies to demonstrate their commitment to ethical conduct, further bolstering their reputation. Measuring the impact of reputation on business outcomes is challenging but essential. Various metrics and methodologies are available to assess reputation, such as Net Promoter Score (NPS), online reviews, and customer satisfaction surveys. These tools provide valuable insights into the connection between reputation, service quality, and consumer loyalty, enabling businesses to make informed decisions.

In essence, a business's reputation is a dynamic force that profoundly affects its capacity to offer top-notch services and earn consumer loyalty. It reflects the business's values, trustworthiness, and commitment to excellence. Nurturing and safeguarding this reputation is not only a strategic imperative but also a moral one, as businesses are increasingly expected to operate with integrity and social responsibility. In today's interconnected world, businesses prioritizing their reputation are better positioned to thrive and succeed, cultivating loyal consumers who are patrons and fervent advocates.

A positive reputation is an invaluable asset that yields the ultimate rewards of consumer loyalty and long-term success.

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A STUDY ON THE SIGNIFICANCE OF THE ORGANIC FOOD MARKET IN UTTARAKHAND

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Abstract

This study explores the burgeoning organic food sector in Uttarakhand, India, and its potential as a key driver of sustainable agricultural and economic growth. The research provides a comprehensive overview of the sector's dynamics by examining the current agrarian scenario, changing cropping patterns, and the challenges the organic food market faces. The study employs a descriptive research design, gathering data from secondary sources. The findings indicate that despite the high demand for organic products and government initiatives supporting organic farming, several barriers persist, including high certification costs, complex procedures, inadequate infrastructure, and premium pricing. The research highlights the importance of collaboration between the government and private sector to mitigate these challenges and suggests measures such as cost-free advertising campaigns for smallholders, training programs, and financial support initiatives. The study concludes that with enhanced policy support, education, and market development, Uttarakhand can capitalize on the growing organic food market, benefiting consumers, farmers, and the broader economy.

Keywords: Organic food, Uttarakhand, sustainable agriculture, economic growth, market dynamics.

Introduction

Organic farming has emerged as an alternative to traditional agriculture, emphasizing sustainable practices such as green manure and biological pesticides, making crops healthier for consumption. It is not only eco-friendly but also beneficial for immunity. During the COVID-19 pandemic, the demand for organic food surged as people

believed it boosted immunity. The National Project on Organic Farming (NPOF), established in 2004-05, significantly promoted organic farming in India. States like Madhya Pradesh, Rajasthan, and Maharashtra lead in this area, accounting for half of the country's organic farmland. Himalayan states such as Uttarakhand, Mizoram, Nagaland, and Sikkim aim to become organic. Increased health awareness globally has led to a preference for organic over traditionally grown products, accelerating the growth of organic farming. Many countries have adopted this approach due to concerns about harmful chemicals from traditional farming practices. The COVID-19 pandemic reinforced the perception that organic products are safer and boost immunity. India is making significant strides in this direction, with consumers demanding higher food quality and nutrient content due to awareness of the negative effects of conventionally grown food. Economic and market reforms in India have spurred economic growth, increased incomes, and urbanization. The Indian government has also supported farmers in adopting organic farming, responding to the criticism of synthetic substances and fueling the global organic farming movement.

Organic food products

Organic food refers to food produced through organic farming practices, which exclude synthetic fertilizers, pesticides, GMOs, antibiotics, and growth hormones. This type of food benefits consumers, farmers, and the economy by promoting sustainable and eco-friendly farming, reducing the carbon footprint, and enhancing biodiversity. Advantages of organic food include better taste, higher nutrient content, and less exposure to harmful chemicals. The organic food market has grown rapidly, presenting significant economic opportunities for farmers and stakeholders. The government of Uttarakhand has plans to develop the Pithoragarh District in the Kumaun region as an "Organic District." So far, 108,000 farmers have received organic certification. Since its formation in 2000, Uttarakhand has been exploring and enhancing organic farming as a significant employment generator. The state's landscape is favorable for cultivating medicinal herbs and plants. With the establishment of the Uttarakhand Organic Commodity Board, efforts to enhance organic farming have accelerated, aiming to improve soil quality and increase long-term production. Organic certification implies two main criteria: absence of toxic persistent pesticides, synthetic fertilizers, growth hormones, antibiotics, or GMOs, and adherence to strict organic cultivation standards

affecting soil, water, and air. Uttarakhand has become a significant hub for organic farming due to favorable climatic conditions and government initiatives. As of 2021, the state has 45,410 hectares of certified organic land and 9,879 farmers engaged in organic farming. Organic agriculture is in demand in developing nations like India because it promotes sustainable practices and improves farmers' livelihoods. This study examines the significance of the organic food market in Uttarakhand, noting that while it benefits consumers, growers and stakeholders face challenges. The study aims to address these challenges and suggest measures for improvement in the organic food sector.

Benefits of organic products

Organic agriculture dictates the methods for growing and processing food. Research indicates that organic food has lower pesticide levels than conventionally grown food, suggesting that organic farming can reduce health risks. Organic products are the only ones that guarantee the absence of toxic persistent pesticides, synthetic fertilizers, and GMOs. The core of organic farming is eco-friendly agricultural practices, fostering a self-reliant system that boosts economic productivity.

Organic food companies

Sresta Natural Bioproducts: Sresta Natural Bioproducts sources organic food products from farmers throughout India, involving 20,000 farmers across more than 30 projects over 120,000 acres. Sresta now has over 1,500 outlets both within India and internationally. The company educates farmers, protects them from middlemen and adverse weather impacts, and improves their understanding of profitable farming economics. Sresta's central storage and processing facility is in Hyderabad, offering convenient access to ports and good land connectivity. The company has also invested in R&D to better understand the organic food industry's product concepts, processes, and quality standards.

Organic India: Organic India, founded in 1997 in Lucknow, produces, processes, and markets certified organic herbal and Ayurveda products. The company cultivates fruits, vegetables, spices, and herbs like Tulsi to create a wide range of herbal supplements, medicines, spices, edible oils, and other food items. Organic India has

established numerous retail outlets across the country. The company was created to develop a sustainable business model that supports the livelihoods of thousands of impoverished farmers in India by offering training and education, promoting self-sufficiency, and imparting transferable skills.

Himjoli: Himjoli is a social enterprise operating in Uttarakhand, India, since 2009. Currently, it collaborates with 18 partners, including NGOs, self-help groups, and producer groups across Kumaon and Garhwal regions. The revenue generated by Himjoli is reinvested into these communities and producer groups to achieve its goal of creating sustainable employment, enhancing living standards in rural hill areas, and preventing youth migration to urban centers.

Sanjeevani Organics: Sanjeevani Organics is an organization based in Uttarakhand, specializing in organic food products, and has been producing organic items in India for the past decade. They are among the largest producers and suppliers of organic food products both within India and internationally.

Challenges in the organic sector in India

As the organic food sector is still emerging in India, both the government and private entities must develop a robust policy framework to benefit all stakeholders. The sector faces several challenges, including high certification costs, lengthy procedures, issues with international validity, a lack of certifying agencies, and inadequate infrastructure for verification. There is also a gap in understanding certification standards and labeling requirements. Companies dealing with multiple commodities must obtain certifications and maintain records according to applicable standards. The high cost of organic manure makes transitioning to fully organic farming expensive. Commercially available bio-manure products may not always be completely organic, sometimes leading to disqualification at the certification stage. Promoting and selling organic products requires special natural packing materials and distinctive branding to differentiate them from conventional products. Currently, there are no regulations on labeling standards, and there is a lack of clarity regarding labeling and certification requirements for both the domestic and import markets, leading to malpractices like mixing organic with conventional produce. Organic food products in India are more expensive than conventional items, with an additional cost of INR 1,200–1,500 per

month for a family switching to organic food. Consequently, the purchase of organic food is mainly limited to affluent consumers in large cities. The limited market availability of organic food products also poses a significant challenge to the growth of the Indian organic food industry. Additionally, the presence of fake organic products in the market undermines the profits of genuine vendors.

Govt. Schemes related to organic farming

The demand for organic food in India is also driven by strong government support, including implementing various schemes, subsidies, and incentives to encourage farmers to adopt organic farming practices. The government aids organic farmers through several financial schemes, including: -

(i) The Paramparagat Krishi Vikas Yojana (PKVY): This government scheme supports organic farming in India. PKVY aims to ensure sustainability, develop long-term soil fertility, and provide healthy food through organic farming practices. The scheme focuses on increasing domestic production and certification of organic produce by involving farmers. In 2015-16, the government allocated Rs. 300 crores for this initiative. Its objectives include promoting organic farming among rural youth, farmers, consumers, and traders; disseminating the latest organic farming technologies; utilizing expert services from India's public agricultural research system; and organizing cluster demonstrations in villages. To encourage the use of organic fertilizers, the government has increased the subsidy from Rs. 100 to Rs. 300 per hectare under the PKVY scheme.

(ii) Rashtriya Krishi Vikas Yojana (RKVY): This government scheme for organic farming in India was launched in August 2007. RKVY aims to promote organic farming and reduce reliance on chemical agricultural inputs. The scheme's objectives include incentivizing states to increase their investment in agriculture and allied sectors, providing states with flexibility in planning agricultural programs, ensuring agricultural plans are prepared for districts and the state, reducing yield gaps in important crops, maximizing returns to farmers, and addressing the agriculture sector in an integrated manner.

(iii) National Program for Organic Production (NPOP): Launched in 2001, NPOP is one of the Indian government's schemes for organic farming and the world's largest organic certification program. The scheme aims to expand into organic products, textiles, and cosmetics. It is implemented by the Agricultural and Processed Food Products Export Development Authority (APEDA) under the Ministry of Commerce and Industry. NPOP provides information on organic production standards and evaluates emerging trends, growth drivers, challenges, and opportunities in the organic sector. The program aims to offer insights into the sector, identifying it as a potential area for economic development for the state.

Review of Literature

Achileas and Anastasios (2008) This paper examines the impact of quality assurance systems on business performance and their role in shaping marketing strategies, especially in the organic food sector. It explores the classification of goods by quality attributes, benefits of quality awards, effects of quality systems on firm performance, and factors influencing consumers' willingness to pay more for organic products. Findings suggest that better quality conformance leads to sales growth and higher profit margins. Quality certification helps increase market share and access new markets. Defining quality from a consumer perspective is essential. Factors like socio-demographics, perceived quality, and risks affect consumers' willingness to pay a premium for organic foods. The study provides insights for developing effective marketing strategies for certified organic products.

S Chakrabarti (2010) This paper documents the findings of an expert survey in the organic food category in India, aiming to underscore the importance experts place on key variables influencing consumers' purchase decisions. It also integrates recent consumer survey findings within the organic food sector in India. From July to October 2007, feedback was gathered from 33 senior experts through face-to-face and email surveys. The paper's novelty lies in addressing critical issues in India's organic food sector from the perspective of expert insights.

S Kumar, J Ali (2011) This study analyzes the factors influencing consumer awareness of organic food products. Understanding consumer awareness is essential, so a logit regression model was used to identify the socio-demographic and other key factors

affecting this awareness. The logistic analysis results show that factors like education, field of study, and use of ICTs significantly influence Indian consumers' awareness of organic food. In contrast, factors such as gender and income level have a minor impact. The findings have important implications for promoting organic food markets both domestically and globally.

CS wee, MSBM Ariff, N Zakuan (2014): This study examines the links between consumers' perceptions, purchase intentions, and actual purchase behaviors of organic food products. Using data from Kluang, Johor, Malaysia, it finds that consumers' intentions to buy organic food are significantly influenced by their perceptions of safety, health, environmental impact, and animal welfare. These perceptions shape behavioral intentions, leading to actual purchases. The findings offer valuable insights for marketers to develop strategies that encourage the purchase of organic foods and promote environmentally-friendly buying behaviors in Malaysia.

B Xie, L Wang, H Yang, M Zhang (2015) The purpose of this paper is to understand consumer behavior in purchasing organic food products and identify the main factors influencing this process. Using both quantitative and qualitative market survey approaches, the study aims to provide a comprehensive view of consumer perspectives. The primary motivator for purchasing organic food is the belief that it is healthier and safer. Consumers who buy organic food typically have higher education levels, higher disposable incomes, families with children, and are older compared to those who do not buy organic food. The main barriers to increasing the market share of organic food products are consumers' lack of knowledge, high price premiums, and limited availability. The research findings could help the organic food industry expand its market, enhance profitability, and improve reliability.

A Singh, P Verma (2017) This study explores the factors influencing consumers' actual buying behavior towards organic foods, based on survey data from 611 Indian consumers. Key factors identified include health consciousness, knowledge, subjective norms, and price. These factors affect consumer attitudes and actual buying behavior, with attitude and purchase intention acting as mediators. The findings provide valuable insights for companies, retailers, and regulatory agencies in the organic food industry, offering guidelines for market expansion.

V Manaloor, D Srivastav, S Islam (2016) Literature Review: This study presents findings from a survey targeting experts within India's organic food industry, aiming to gauge their perspectives on factors influencing consumer decisions to purchase organic products. Conducted between July and October 2007, the research collected responses from 33 senior experts through both face-to-face interviews and email surveys. Results highlight health motivation as the most highly rated factor, with one of the lowest standard deviations among explanatory variables in the expert survey. This paper contributes novelty by focusing on expert insights to address pivotal issues within India's organic food sector.

Patnaik (2018) This paper aims to explore the growing trend towards sustainability and its significant impact on consumer lifestyles, particularly through the consumption of organic food. It underscores corporate efforts towards environmental stewardship and innovative agricultural practices that influence both customer health and climate. The paper aims to enhance public perception of organic concepts, especially related to food and supports the green revolution in addressing escalating environmental and health challenges

Chamoli and Rana (2019) This review explores current trends in the restaurant sector, emphasizing Uttarakhand, and underscores the advantages of integrating local organic crops from the region. The study seeks to pinpoint food characteristics that shape customer perceptions, bolster retention rates, enrich guest experiences, and mitigate challenges linked to using locally sourced organic produce. Methodologically, the research incorporates participant interviews alongside secondary data analysis.

Bazaluk, Yatsenko, Zakharchuk, and Ovcharenko (2020) This study explores Ukraine's potential in the global organic food market. It analyzes market growth, regulatory factors, current trends, and future prospects. The research identifies key competitors, consumer segments, and initiatives supporting organic sector development. It concludes that Ukraine has significant export opportunities, recommending strategies like marketing initiatives, government support, and collaborative production approaches to enhance its position in the organic market.

Verma, Kumar, Ram, and Bisht (2022) analyze the current agricultural landscape of Uttarakhand, focusing on the evolving patterns of crop production and

landholdings. This paper addresses issues that are diminishing farmers' interest in agriculture. The study aims to examine the current state of agriculture in Uttarakhand and investigate the shifts in cropping patterns and crop production in the region.

S. Saxena and S. Saxena (2023) This review uses the Theory of Planned Behavior (TPB) to study consumer behavior towards organic food in Uttarakhand, India. It identifies factors influencing purchasing decisions and suggests strategies for promoting organic food consumption in the region. Data from 212 respondents in Garhwal district were analyzed using SEM and AMOS-22. Findings indicate attitudes, social norms, and perceived control significantly influence purchase intentions, which in turn affect actual buying behavior. The study offers insights for marketers to encourage organic food adoption in Uttarakhand.

Objectives

- To assess the importance of the organic food market in Uttarakhand.
- To identify the challenges encountered by the organic food market.

Research Methodology

Research design: The study adopts a descriptive design to depict the current state of the organic food sector at both national and state levels.

Data collection: Data is gathered from secondary sources, including published government reports from various departments, as well as national and state-level reports on organic food production.

Data analysis and interpretation:

The study analyzes data to understand the significance of the organic food market and the challenges it faces. The growth is driven by increased health awareness, concerns about the hazards of chemical pesticides and fertilizers, and rising investments by Indian corporate firms. The demand for organic food has surged due to heightened health awareness among Indian consumers, who now prioritize nutrient content and food quality. The COVID-19 pandemic further accelerated this demand as consumers sought organic products to boost health and immunity. Cereals and food grains are the largest segment, driven by the demand for plant-based and gluten-free food production.

The market is fragmented with numerous regional players. New entrants face moderate barriers due to the fragmented market structure, regulatory requirements, and capital investments. Major markets, including India, continue to exhibit double-digit growth rates, fueled by growing health concerns, rising income levels, improved living standards, and government initiatives promoting organic products. The Food Standards and Safety Authority of India (FSSAI) recognized both NPOP and PGS-India certification systems for organic products in December 2017, enhancing market trust and regulation. India's organic sector has shown remarkable progress, becoming a key global player with over 8,35,000 organic farmers and ranking ninth in organic cultivation area. In 2015-16, India exported 1.35 million MT of certified organic food products worth INR 1,937 crore. However, challenges such as certification and quality assurance, high input costs, and the lengthy conversion period from conventional to organic farming persist, particularly for small and marginal farmers. To address these issues, the study suggests measures for contamination prevention, infrastructure improvements, marketing strategies, capacity building, financing access, and research and development. Agriculture is a crucial sector, with significant contributions from GI-tagged products like millets, Basmati rice, and Tej patta. Over 35% of Uttarakhand's agricultural land is organically certified. Kashipur the city in Uttarakhand in Udham Singh Nagar, shows that millet cultivation can boost farmers' incomes by 10-20%, though many farmers are unaware and grow millets for self-consumption. The study emphasizes the need for awareness programs to ensure a prosperous future for farmers in Uttarakhand.

Suggestion of the Study

Despite the government's efforts to boost organic production, significant challenges persist, primarily related to the pricing and marketing of organic products. Companies incur various costs that contribute to higher operating expenses compared to conventional products, resulting in a substantial price markup. This higher price acts as a barrier, preventing many consumers from choosing organic products. A consistent issue identified is the high price, which limits access for many low-income individuals. To address this, the government has initiated various programs, but further action is needed. While organic products may not be completely cheap, costs can be controlled by reducing expenses. Government and private entrepreneurs should collaborate to

enable small stakeholders to reach a broader customer base. Offering cost-free campaigns for smallholders to advertise their products, providing training and skill development programs, and conducting awareness campaigns are essential. Collaboration between the government and the private sector can bring significant changes to this sector. The government can support financial programs for private enterprises that dedicate a portion of their turnover to supporting organic farming. Proper awareness can change the mindset of many people. Additionally, the government needs to enhance its efforts to discourage the use of synthetic fertilizers and pesticides by promoting and incentivizing the use of biofertilizers and biopesticides to reduce cultivation costs.

Conclusion

The study provides a comprehensive analysis of the organic food sector in Uttarakhand and highlights its potential as a significant driver of economic and sustainable agricultural growth. Despite the evident benefits of organic farming and the rising demand for organic products, several challenges hinder the full realization of this sector's potential. High certification costs, complex procedures, inadequate infrastructure, and the premium pricing of organic products remain significant barriers. However, the growing awareness of the health benefits associated with organic food, coupled with government initiatives and support, presents a promising outlook. The government's schemes, such as the Paramparagat Krishi Vikas Yojana, Rashtriya Krishi Vikas Yojana, and the National Program for Organic Production, play a crucial role in promoting organic farming practices and supporting farmers in transitioning to organic methods. The analysis of the organic food market in India indicates a substantial growth trajectory, driven by increasing health consciousness among consumers and a shift toward sustainable agriculture. The study emphasizes the need for enhanced collaboration between government and private entities to address the pricing and marketing challenges. By reducing costs, increasing awareness, and providing financial and infrastructural support, the organic food sector can be made more accessible to a broader consumer base, including low-income groups. Ultimately, the research underscores the importance of continued efforts to promote organic farming through policy support, education, and market development. By addressing the existing challenges and leveraging the opportunities, Uttarakhand can emerge as a leader in the

organic food market, benefiting not only the consumers but also the farmers and the overall economy.

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ENTREPRENEURIAL VARIANCES AMONG GENDERS: A STUDY OF UTTARAKHAND

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Abstract

When all revenue in an economy is used effectively, economic progress can be said to be effective. One of the important resources that must be used effectively for the prosperous growth of any economy is human capital. One way to analyse the consumption of human capital is to look at everyone's equal participation in the economy. Numerous categories are classified by age, income, gender, ethnicity, caste, and other factors inside the economy. Every set of people that make up each subgroup must participate equally. The growth of the economy is negatively impacted by inequality in any of the groups. One of the guiding principles for enhancing the use of human capital might be the establishment of fair and equal opportunities for all individuals, irrespective of their group membership. The current study focuses on how women's contributions compare to men's on equal footing.

Keywords: Gender equality, Entrepreneurship, Motivational factors, Entrepreneurial issues

Introduction

In comparison to a few decades ago, the global economic position now presents a different image. Over the past few decades, the global economy has changed. In terms of trade volume, industrial sector, technology, and industrial and service sector diversification, the strength of diverse economies has increased. In the current age of globalization, privatization, and liberalization, every economy strives for growth and development in order to raise the living standards of its citizens. "Gender Equality and Development" highlights the importance of gender equality in terms of raising production, enhancing the representation of institutions, and improving the development results for the next generation. One way to break the cycle of poverty is to promote women's and rural entrepreneurship while reducing gender inequalities. To achieve the resilient economic growth that would lift people out of poverty, it is

essential to mobilize the potential production of rural residents, especially women. Gender equality has been seen as one of the key tactics to lower poverty and increase work chances since women are thought to play a vital role in society and the health of the family and community. Not only do men and women participate in income-producing activities insufficiently, but there is also cause for concern regarding the prominence of employment opportunities. In addition to unequal female engagement in the economy, the presence of vulnerable employment and a greater need in the agricultural sector are equally responsible for the decline in efficiency and the issues that follow. Over time, the structure of many economies has changed in relation to work. A crucial position has been held by the services sector in many different economies. Nonetheless, in many economies, especially emerging economies, agriculture remains the primary source of income. The difference in the per capita income of men and women in the economy is caused by the inadequate involvement of women in activities that generate revenue. Gender inequality is a result of income disparities in human progress. Gender disparity has a detrimental impact on the growth and development of an economy since it reduces its competitiveness. Consequently, investigating new avenues for producing revenue is just as vital as focusing on the increased involvement of women in economic activity. Gender disparity in income and, consequently, in human development within the Indian economy can be attributed to women's unequal participation in economic activities. To effectively utilize an economy's fruitful potential, alternative income-generating opportunities must be built, and labour force from agriculture must be rapidly redirected to the industrial and service sectors.

Review of Literature

Numerous research on gender equality and men's and women's entrepreneurship have been carried out worldwide. These studies have attempted to examine the motivational elements that drive both male and female entrepreneurship as well as the challenges that each gender faces while starting or running their own businesses. Several research that are now available on the pertinent literature are listed below:

Kumar and Kalyani (2011) analysed the association between motivational and entrepreneurial factors to suggest the educators for improved entrepreneurial education and training involvements. The data set consists of 144 out of 432 companies, representing the sample size. Using SPSS, data has been analyzed using

regression testing, correlation analysis, and descriptive statistics. According to the study, entrepreneurial and motivational factors are significantly correlated with each other, and entrepreneurial factors are significantly impacted by motivational elements. A skilled individual can obtain financial plans for their business. Women have considerably safer times when it comes to paying back debt. Low self-confidence and low motivation are caused by inadequate training and education for female entrepreneurs, which also affects issues with funding, profit positioning, sales support, and self-assurance.

Kumari and Mor (2021) identified issues and difficulties that Rajasthani rural women entrepreneurs in the Jhunjhunu district faced. Thirty women entrepreneurs and thirty non-entrepreneurs made up the sample size, and information was gathered through interviews. Data analysis was conducted using descriptive figures. The study's conclusions demonstrate that women in both groups experienced discrimination based on factors such as gender, caste, and educational attainment. Obstacles for female businesses include sales and raw material availability. Women who are not entrepreneurs confront prejudice, a lack of help in building a network, and interference from family members. Another problem they encounter is a lack of knowledge about government initiatives like tax breaks, concessions, subsidies, and financial and technical support for starting their own businesses, obtaining raw materials, and arranging financing.

Ward et al. (2019) identified actionable ideas for economic growth and gender equality. Gender equality has been shown to support economic growth with the help of specific evidences. The current analysis puts pressure on encouraging data, such as the fact that gender equality leads to a spike in human capital stock, more viable labour and product markets, and better physical capital investment. The efficiency of agriculture decreases as a result of gender disparity. It has also been explained how gender equality affects the achievement of the Millennium Development Goals.

Dollar and Gatti (1999) examined the question of whether growth, income inequality, and gender inequality are favourable to women. The current study took the position that economic advancement and gender parity go hand in hand. It has been argued that underinvesting in women's education is a bad economic decision. According to the study, gender differences are beneficial for slower growth. It has been determined that

investing in female education boosts national income. Increased funding has been carefully considered to promote greater gender equality in education and other fields. By shedding light on the perception and circumstances of entrepreneurship in the pre-colonial and colonial era, the first half of the twentieth century, following the world wars, in Independent India, and in the present,

Mathew (2017) identified SMEs and its new perspectives on HDI and the origin of entrepreneurship in India. The businesses established in India to foster entrepreneurship have been given labels. It has been explained how the growth of entrepreneurship has affected the globalization age. Additionally, the status of entrepreneurship, the inventiveness displayed, and its significance for SSIs is evaluated in relation to countries such as Europe, India, the US, the Philippines, and South Africa. Also discussed are the updated views on entrepreneurship and what has to be done.

Bekele and Worku (2008) looked at the variables that affect an enterprise's long-term viability and practicality. The study's goals were to pinpoint the primary predictors of survival and determine if businesses run by men outperform those run by women in terms of performance. Of the 500 businesses included in the study, 221 (or 44%) were run or owned by women. 112 variables were covered by the structured questionnaires used to gather the data. Data analysis was done using STATA version 10 of the Statistical Package. Research indicates that of all the businesses that failed, 78% were run or controlled by women. Of all the inefficient businesses run by or owned by women, 69% of them required work to obtain a loan from reputable lenders, 66% were unable to reinvest a portion of their profits, 72% lacked managerial expertise, 74% lamented their lack of procedural knowledge, and 55% had only a low level of education.

Objectives of the study

- To present entrepreneurial issues faced by men and women entrepreneurs.
- To present motivational factors of men and women towards entrepreneurship.

Methodology

The descriptive research design was adopted for this study that established the effects of implementation of motivational factors towards entrepreneurship development and issues or challenges faced by men and women in Uttarakhand state. This design facilitated the researcher to use quantitative research methods in collection

of data, analysis, and interpretation. This research required a convenience sampling method used to draw sampling units. A sample of 100 entrepreneurs were conveniently chosen from the area of both manufacturing and service sectors for this research. The collection of data was done through both primary and secondary sources. Select men and women entrepreneurs were the main source of primary data collection. Sources of secondary data obtained for the research were various journals, books, websites, government publications, and reports published by govt. departments etc. Data was analysed using descriptive statistics.

Data Analysis

Issues faced by the men and women entrepreneurs

Various entrepreneurial problems related to the accessibility of capital, raw material, marketing, support from government, family & spouse, dealing with dual responsibilities of work as well as household, etc. have been analysed and discussed in the study.

Table 1: Issues faced by the men and women entrepreneurs in Uttarakhand

Issues faced by entrepreneurs		Not a problem	Minor problem	Moderate problem	Major problem
Support from spouse	For men	43	4	1	2
	For women	45	3	1	1
Support from family	For men	36	7	4	3
	For women	43	2	2	3
Dual responsibilities of managing household chores along with enterprise	For men	33	8	6	3
	For women	38	7	3	2
Gender discrimination while selling products/ services in market.	For men	36	11	2	1
	For women	41	7	1	1
Gender discrimination in availing finance/access to capital	For men	27	8	6	9
	For women	30	9	4	7
	For men	33	6	7	4

Gender discrimination in availing needs of raw material	For women	34	8	4	4
Gender discrimination in training and support from government	For men	32	7	0	11
	For women	32	7	1	10

Source: Researcher’s Compilation

According to the information in Table No. 1, marital support-related concerns were not a concern for the majority of male and female entrepreneurs (43% and 45%, respectively). 43% of women and 36% of men who were entrepreneurs said that they had no trouble getting family support. 38% of women and 33% of men who were entrepreneurs said it was easy to balance their business and domestic duties. Gender discrimination was not a concern for 41% of women and 36% of men who were entrepreneurs offering goods or services in the marketplace. For 27% of men and 30% of women who were entrepreneurs, there was no issue with gender discrimination when it came to obtaining financing or capital. Gender discrimination was not an issue for 33% of men and 34% of women who were entrepreneurs, according to raw material needs assessments.

Motivational factors of men and women towards entrepreneurship

This section discusses the degree of encouragement of all the motivating aspects in starting a business for both men and women entrepreneurs. The table below shows the percentages of both groups of entrepreneurs who had varying levels of stimulus from each factor. The following table shows the correlation between the variables that encourage someone to pursue entrepreneurship and their level of success:

Table 2: Motivational factors of men and women towards entrepreneurship

Motivational factors	Men entrepreneurs	Women entrepreneurs
Self confidence	50	30
Economic necessity	44	40
Wish to improve quality of life	47	40
Social recognition	30	25
Previous occupation	27	20
Market competitiveness	25	20

Inspiration from success of others	44	50
Government policies & programs	25	20

Source: Researcher's Compilation

As per the above table no. 2, self- confidence was a motivating factor for 50% of men and 30% of women entrepreneurs. Economic necessity was a motivating factor for 44% of men and 40% of women entrepreneurs. Wish to improve quality of life was a motivating factor for 47% of men and 40% of women entrepreneurs. For 30% men and 25% of women entrepreneurs, social recognition was a motivating factor. Previous occupation of entrepreneurs of 27% of men and 20% of women entrepreneurs was a motivating factor. Market competitiveness factor was a motivation for 25% of men and 20% of women entrepreneurs. Inspiration from success of others was a motivating factor for 44% of men and 50% of women entrepreneurs. And lastly, govt.policies & programs were motivating factor for 25% of men and 20% of women entrepreneurs.

Conclusion

Multiple factors contribute to the growth of entrepreneurship. The socio-economic profile of an entrepreneur, enterprise traits, entrepreneurial skills, government backing, motivating factors for pursuing entrepreneurship, and challenges encountered by entrepreneurs all have an impact on the degree of success experienced by an entrepreneur. Therefore, a thorough analysis of all the variables and an exploration of the roles that each one plays is essential to the further development of entrepreneurship. The challenges and motivating elements that both male and female entrepreneurs must overcome are crucial to their business's success. The study's conclusions can serve as the foundation for the growth and development of entrepreneurship among both men and women. Analysis of the impact of various factors on entrepreneurs' accomplishment levels has diverted attention from problems and trouble spots that need to be addressed for entrepreneurship to flourish.

Based on the opinions shared by the male and female entrepreneurs, the following sources can be deduced:

- It is necessary to upgrade basic infrastructure, such as the water supply, roads,

and electricity.

- Financial incentive schemes for exporters ought to be implemented.
- More buyer-seller events ought to be planned.
- Schemes should be used to assist new and small exporters.
- Suitable procurement of raw resources.
- It is necessary to increase program applicability, awareness, and transparency.
- Assistance with registration and other legal requirements ought to be given.
- There should be a relaxation of the requirements and processes for registering an enterprise.
- The government should continue to run training programs to foster entrepreneurship.
- Promote entrepreneurship among younger people.

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A STUDY ON THE RELATION BETWEEN ORGANISATION CULTURE AND EMPLOYEE ENGAGEMENT

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Abstract

Employee engagement has garnered significant attention in recent years; however, critical academic literature on the subject remains limited, and the mechanisms by which management can influence engagement are not well understood. Despite the burgeoning interest, confusion persists regarding the concept of engagement. This research article seeks to clarify this by examining the interplay between organizational culture and employee engagement within a business context. Utilizing a comprehensive literature review and empirical investigation, the study explores how cultural norms within organizations affect employees' commitment and active participation in achieving organizational goals. Findings indicate that employees are more likely to engage and align with organizational objectives when they resonate with the established cultural norms. This study advances the understanding of organizational culture's relation to employee engagement, offering valuable insights for both academic research and practical management.

Keywords: Employee engagement, Organizational culture, Management influence, Cultural norms, Employee commitment, Organizational goals, Business context, Empirical investigation

Introduction

The concept of "culture" has a long history rooted in decades-old anthropological literature. In the immediate post-war years in the United States, these concepts were first applied to organizations rather than indigenous peoples. However, it wasn't until the 1980s that the idea of "organizational culture" gained widespread recognition. Several best-selling management books from this era significantly influenced the perception that organizational culture is a critical factor in managing an organization's performance.

The study of organizational culture has grown significantly during the last ten years in various industrial contexts, including the healthcare industry. According to Hofstede (1980), culture within an organization emerges as a result of the organization's place in a specific society. Hofstede's extensive research, based on 88,000 survey responses from IBM employees in 66 countries, identified four distinct aspects of culture:

1. **Level of Individualism:** The degree to which individuals prioritize their own interests over those of the larger group they belong to.
2. **Uncertainty Avoidance:** The degree to which individuals try to lessen uncertainty versus their ability to tolerate ambiguity.
3. **Power Distance:** The extent to which interactions are formal and distant versus informal and close between superiors and subordinates.
4. **Masculinity:** The degree to which success is defined by aggression, challenge, and ambition rather than kindness and nurture.

These cultural dimensions provide a framework that helps understand how organizational culture impacts various aspects of organizational life. This study explores the intricate connection between organizational culture and employee engagement, concentrating on how cultural norms within businesses affect employees' commitment to and involvement in achieving corporate goals. Through analyzing this interaction, the study hopes to contribute to our knowledge of how organizational culture affects employee engagement and provide insightful information for both practical management and scholarly research.

In recent years, the term "employee engagement" has become increasingly prevalent and broadly used (**Robinson et al., 2004**). Despite its prevalence, most writing on employee engagement is found in practitioner journals, which often lack robust theoretical and empirical foundations. This paucity of scholarly and empirical research on such a popular topic has led some to view employee engagement as faddish or as "old wine in a new bottle."

Employee engagement can be defined in various ways. At its core, an engaged employee is a productive worker who remains committed to their job and consistently represents the company positively. According to the Hay Group, the performance of an engaged worker is "a result achieved by stimulating an employee's enthusiasm for work and redirecting it towards organizational success." This outcome is dependent on an

implicit agreement between the employer and employees, whereby the latter demonstrate actions that are consistent with and beneficial to the organization's goals. More than just a gauge of job satisfaction, employee engagement shows how passionate workforces are about their professions and their work environments. Elevated levels of employee engagement are positively correlated with increased productivity and commitment, which can yield substantial benefits for the firm. Companies with engaged employees often experience superior performance and profitability compared to those with low engagement levels.

Review of Literature

Organizational Culture

The human relations perspective of companies from the 1940s is where the idea of organizational culture originated, despite becoming fashionable in the early 1980s. Human relations theorists emphasized the value of informal, non-material, interpersonal, and moral bases of cooperation and commitment in contrast to rational system theorists who focused on formal, material, and instrumental controls. This perspective was inspired by earlier anthropological and sociological studies on culture within groups and communities, as shown by **Geertz (1973), Mead (1934), Durkheim (1964), and Weber (1947, 1958)**.

Organizational culture plays a critical role in fostering success as it establishes expectations for conduct (**Umrani, 2017**). These guidelines cover morals, ethics, symbolism, and appropriate language usage in conversations (**Sureci, 2017**). According to **Mashal and Saima (2014)**, organizational values and principles are developed to address environmental difficulties through group problem-solving. The organization's founders or leaders establish this culture, which the team subsequently builds upon as they resolve challenges related to both internal and external adaptation (**Odiakaose, 2018**). According to **Robert (2013)**, an effective organizational culture necessitates active employee participation in its operations. Organizational culture is defined as shared values and conventions.

Organizational culture is an integral component of the surroundings and is crucial to educational institutions' efforts to promote pride in well-thought-out organizational initiatives (**Syakur, 2011**). Early definitions of organizational culture concentrated on defining its degrees and identifying the differences between strong and weak cultures. Assumptions, beliefs, and values were among the cognitive elements that were given

priority in several definitions. Similar to the environment/values distinction made by **Kotter and Heskett (1992)**, others broadened the notion to encompass behaviors and artifacts, resulting in a contrast between the apparent and hidden levels of corporate culture.

Schein (1992) argues that corporate culture has become considerably more significant in the modern era due to factors such as increased competition, globalization, mergers, acquisitions, alliances, and the emergence of a diverse workforce. In light of these factors, it is essential to:

- Coordinate and integrate across organizational units to increase the speed, quality, and efficiency of the design, manufacture, and delivery of goods and services.
- Successfully introduce new technologies, such as information technology, and innovate strategies, goods, and procedures.
- Skillfully oversee geographically distributed teams and a staff that is growing in diversity.
- Create meta- or hybrid cultures as a result of mergers and acquisitions, which combine elements of many organizational cultures.
- Encourage and assist with teamwork.

Employee Engagement

One of the initial problems identified in the literature is the lack of a consensus definition for employee engagement. **Kahn (1990)** defines employee engagement as "the harnessing of organization members' selves to their work roles." In this environment, personnel express themselves through their body, mind, and emotions while performing their duties. Common definitions of employee engagement include the level of an employee's discretionary effort at work (**Frank et al., 2004**) or their intellectual and emotional commitment to the company (**Baumruk, 2004; Richman, 2006; Shaw, 2005**). **Truss et al. (2006)** reduced the definition of employee engagement to "passion for work," a psychological state that includes the three dimensions of engagement covered by **Kahn (1990)** and captures the common themes shared by all these definitions while acknowledging that employee engagement is a multifaceted construct. According to **Saks (2006)** and **Andrew & Sofian (2012)**, employee engagement is thought to function as a mediator in helping employees change their attitudes, intentions, and behaviours to perform better at work. Employers can improve

employee behaviour, intention, and attitudes toward improved work performance by leveraging employee engagement (**Andrew and Saudah, 2012**).

Furthermore, **Basquille (2013)** suggests that executives should support managers in their efforts to offer career guidance, development support, and recognition—all of which are elements that significantly raise employee engagement. According to Patro (2013), employers ought to allow workers the latitude to infuse excitement into their work and establish a work atmosphere that fosters employee engagement.

Conceptual Framework

This study's conceptual framework is based on the knowledge that employee engagement is largely influenced by organizational culture and that employee engagement in turn drives a range of organizational outcomes. To investigate the dynamic interaction between cultural norms and employee behaviour, this framework incorporates important theoretical viewpoints and empirical data.

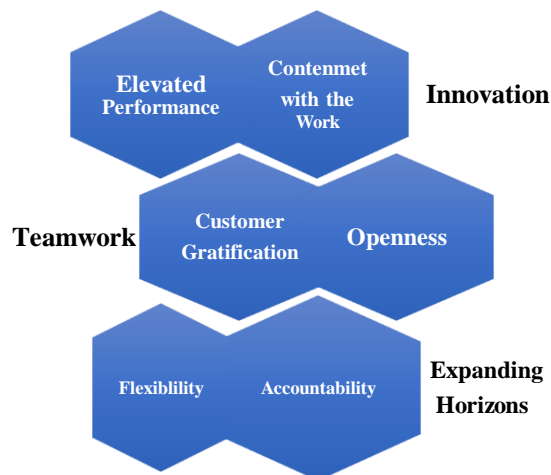


Figure 1: Conceptual Framework of the study

Source: Prepared by the author

Findings

The study's conclusions highlight how organizational culture has a big impact on worker engagement. Organizational culture not only shapes how employees view their responsibilities but also affects their interactions with colleagues and their support for the company's objectives. Understanding this correlation is crucial for both academic research and practical management, as it offers valuable insights into enhancing

organizational efficiency, employee satisfaction, and overall success. This impact can be observed in various facets of employee behavior and organizational outcomes.

Employee motivation to achieve at their highest level is fostered by a good organizational culture. This is accomplished by having clearly stated goals and standards that employees may follow and understand what is expected of them. Employees can achieve success in their roles when they work in an environment that fosters growth and offers the resources they need. Regularly praising accomplishments raises spirits and encourages excellence. Employee engagement and commitment are higher when they are happy with their roles and work environment. Organizational culture has an impact on employees' satisfaction and happiness. Work-life balance-promoting cultures increase job satisfaction and lower burnout. A sense of satisfaction and loyalty is fostered by a steady and secure work environment. Organizations that recognize and reward fresh ideas can greatly increase employee engagement by fostering a culture that encourages creativity and innovation. This encourages people to think creatively and make novel contributions. Employees are more inclined to innovate when they feel comfortable taking risks and trying new things without worrying about failing. Employees in cultures that prioritize ongoing learning and development are more likely to look for and use novel solutions.

Productive teamwork is a sign of a healthy company culture. This is promoted by fostering a culture where cooperation is valued and open communication strengthens team dynamics. Employee activities are more coherent and productive when they are working toward shared objectives. Teams with cultures that foster mutual respect and trust are more resilient and productive. This is impacted by organizational cultures that place a high priority on customer satisfaction and develop similar values in their staff members. Improved client experiences are the result of giving staff the freedom to decide and solve problems. Employees that work in an excellent culture are guaranteed to deliver top-notch service on a regular basis. When they perceive chances for advancement, workers are more engaged. This is facilitated by the organizational culture, which keeps workers interested and motivated by providing opportunities for training, mentorship, and career advancement. Employees can explore multiple positions and develop new abilities in cultures that encourage internal mobility and a variety of career options. A culture of growth and development is fostered when potential in employees is recognized and nurtured. Employees that operate in an

accountable culture accept responsibility for their work and its results. This is accomplished by having roles and tasks that are clearly defined, which helps staff members comprehend their accountability. employing quantifiable objectives and frequent feedback to monitor responsibility and performance. Encouraging individuals to assume responsibility for their jobs fosters a sense of accountability and involvement. Transparency and trust are essential for employee engagement, and they are fostered in an open organizational culture. Building trust and involvement inside the organization involves keeping lines of communication open at all levels. Including staff members in decision-making procedures promotes a feeling of value and belonging. Open communication and a culture of continuous improvement are fostered by welcoming and acting upon employee feedback. Workplace flexibility that takes into account the requirements and preferences of employees raises employee engagement. Flexibility can be promoted by an organization's culture by providing options like reduced workweeks, flexible hours, and remote work. Employee engagement is increased by a culture that welcomes change and helps staff members through shifts, allowing for the flexibility to manage personal obligations and recognizing and respecting them.

Discussion & Conclusion

Since organizational culture influences how employees see their responsibilities, interact with co-workers, and support company objectives, it has a substantial effect on employee engagement. A positive corporate culture fosters high performance, job satisfaction, creativity, teamwork, customer satisfaction, responsibility, openness, and flexibility. This dynamic work atmosphere fosters a workforce that is dedicated, driven, and productive. Comprehending and cultivating these cultural dimensions is imperative for scholarly inquiry as well as applied management, propelling the prosperity of organizations and augmenting the welfare of employees. Such programs improve employee satisfaction in addition to organizational success and sustainability. Employee engagement is significantly impacted by organizational culture. When employees identify with the established culture standards, they are more engaged and supportive of the company's objectives. When employees feel valued and understood, their motivation to contribute to the company's success increases, leading to increased levels of creativity and productivity.

High performance is encouraged by positive corporate cultures, which establish clear expectations and give staff members the tools they need to meet them. Employees are more likely to strive for excellence in a workplace where continuous development is valued and individual and team accomplishments are acknowledged. Employee perceptions of their workplace and the extent to which their wants and expectations are met are directly related to job satisfaction. Increased job satisfaction and lower turnover rates are the results of an encouraging culture that puts an emphasis on the growth and well-being of its employees. Originality and inventiveness are fostered in societies that embrace variety of thought and promote taking risks. Employees are more inclined to solve organizational problems creatively when they feel free to voice their opinions without worrying about repercussions.

Another essential component of a healthy culture is teamwork. More cohesive and productive teams are produced in collaborative settings where mutual respect and trust are valued. This cooperation also includes customer contacts, where a contented and driven staff can greatly increase client loyalty and happiness. A culture that welcomes new opportunities and adjusts to changing circumstances must be open and flexible. Companies that encourage open communication and adaptable work schedules are better able to meet the needs of both their workforce and the market. These societies encourage flexibility and resilience.

For both academic and applied management research, it is crucial to comprehend and cultivate these cultural traits. Studies that look into the connection amongst employee engagement and business culture contribute to the accumulation of knowledge by providing fresh perspectives and conceptual frameworks for comprehending this intricate interaction. This study offers managers practical suggestions on how to cultivate a more productive and engaged team. Managers can boost engagement and enhance overall organizational performance by implementing focused cultural initiatives that emphasize the significance of cultural alignment. Creating laws and programs that support desired cultural traits is one way that this research can be put to use. These could include programs for staff recognition, leadership development, and ongoing feedback systems. Employers may develop a more devoted and productive staff by fostering an atmosphere that supports and reflects the values and goals of their workers.

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DIGITAL LEARNING TOWARDS INCLUSIVE E-EDUCATION FOR STUDENTS WITH DISABILITIES

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Abstract

Educational technology occupies an important place in the teaching learning process in the modern world and the main aim of digital learning is to improve the effectiveness of the students' all-round development. It also helps teachers to teach well and learners to learn better and digital learning effects on quality education and the quality of teaching. Inclusive Education (IE) for students with disabilities has been newly granted in schemes and plans in India and digital learning contents both e-learning and e-teaching are placed into roles in information and educational technology incorporated in various educational programs and the e-teacher is essentially powerful towards inclusiveness teaching for special needs. The present study highlights digital learning for inclusive e-education for students with disabilities at school level and provides suggestions and recommendations in a concluding manner that schools can implement to start all programs by the best practices in a normal school environment. The results suggested that schools can implement digital learning towards inclusive e-education if they are correctly arranged, involved and run all the plans. Also propose techniques in changes in curriculum, teaching strategies, assessment methods etc. towards the requirements of special needs students in the 21st century.

Keywords: Curriculum, Digital Learning, Inclusive Education, School, Students with Disabilities, Teacher

Introduction

The rapid advancement in digital learning has been greatly influenced by the teaching learning process and integration of digital learning inside and outside of classrooms helps to create the best environment for all students for meaningful and successful learning. It supports students in their constructive thinking and allows them to do better. The concept of digital learning plays an important role in inclusive e-education and educational technology applied by teachers at all levels of education in different educational levels and teachers must be ready to use digital learning and computer literacy for the special needs students towards teaching at school level. He/she acquire, improve knowledge, skills of teaching digitally and of guiding students' learning and finally general teachers start inclusive e-education effectively. The e-inclusion offers a variety of positive academic, social, and behavioural opportunities for students with special needs and the increased use of information and communication technologies in everyday life and development of adaptive hardware and software have allowed individuals with disabilities to do things that were difficult/impossible for them to do in the past. One of the reasons is lack of teamwork in creating e-learning technology-supported processes and teaching however, e-learning technology can promote the inclusion of students with various disabilities. Digital technology can be used to improve teaching, learning and help all students be successful in e-inclusive education. Digital learning always improves the academic skills of students with disabilities, also helps for preparing all special needs students for their future careers. Information technology inside the classroom is an effective way to connect with students of all learning. Modern learning is about collaborating with others, solving complex problems, critical thinking, developing different forms of communication, leadership skills, and improving motivation. It creates classrooms with digital learning tools, such as computers, hand-held devices, learning materials, finally, supports learning 24 hours a day, 7 days a week and builds 21st century skills. It leads not only to better grades, improved teaching and learning and helps all students be successful. Instead of the teacher being the only source of help in a classroom, students can access web sites, online tutorials, etc. Examples of digital media include software, digital images, digital video, video games, web pages

and websites, including social media, data and databases, digital audio, such as MP3 and electronic books.

Objectives

- To provide an outlook on digital education for students with special learning needs.
- To provide an outlook on the resources, assessment methods, teaching and learning approaches to meet individual learner of special needs.

Methodology

The study has been conducted based on the method of document review in accordance with the qualitative approach of research and has been done on the basis of the secondary sources of data like books, research journals, articles and different websites towards “Digital Learning towards Inclusive E-Education for Students with Disabilities”.

Common Practices in Inclusive Classrooms

- ❖ Involving students in solving problems
- ❖ Teaching students to look for ways to help each other
- ❖ Encouraging students to take the role of teacher
- ❖ Focussing on the strength of a student with special needs
- ❖ Taking breaks when necessary
- ❖ Developing an area for children to calm down
- ❖ Organizing student desk in groups
- ❖ Creating a self and welcoming environment
- ❖ Helping to establish short-term goals

Advantages of Inclusion

- ❖ Develop broad-mindedness and celebration of diversity
- ❖ Normal students learn how to guide and help others who are impaired
- ❖ Special needs students learn effective friendly nature
- ❖ Build higher expectations on each child
- ❖ Inculcate easy access to the general content

- ❖ Changes in less separation at all levels
- ❖ Create more attachment to teachers, peer group, tools, resources etc

Technology towards Special Education

There are many ways of how technology can help students with special needs and using technical tools intended for **human speech recognition and synthesizing**, students can avoid the usage of paper and pen during the teaching and learning and it would be also helpful for students with disorders that don't allow them to process visual information correctly. The **adaptive computing** technology helps using digital devices to all types of difficulties who face challenges. Screen reader applications along with specially designed Braille keyboards allow 21st century visually challenged students to use the computer. **Augmentative communication** systems help students with speech problems to overcome all communication concerns, also picture charts, books, and specialized computers providing functions of word-prediction are far more effective communication for all disabled students.

The Role of Digital Learning in Inclusiveness-

Digital technology application is very important as it plays a crucial role in providing high quality e-education for students with disabilities in an inclusive classroom setup. ICTs have been introduced into the teaching-learning process in order to upgrade quality, reinforce curricular changes and new learning experiences. In this way it is possible to meet the specific learning needs of different learner groups, including students with disabilities. Inclusive education presents an opportunity for students with special needs to attend mainstream classrooms with their age-group peers. Promoting digital learning infrastructure for special needs is necessary in order to provide for the appropriate conditions of teaching and learning. Digital learning tools must be used to allow students with SEN to participate in the educational process based on special techniques and equipment. The key ways in which technology can support educational opportunities for people with disabilities are identifying the preliminary level of personal development by shaping new skills/updating existing ones, improving the access to digital information also, the willingness of teachers to develop innovative teaching methods to change and adopt the existing approaches to accommodate new concepts of special needs education and modern technologies. If a learner is unable to

manage a particular activity, alternative activities must be designed or adapted, so that he/she gets a chance to receive the needed information and demonstrate the results. The modified curriculum must preserve the skills/knowledge required for a particular subject and distribute knowledge and training resources in a more creative way and teaching subjects can utilize a variety of technologies to facilitate learning and interaction between participants: asynchronous and synchronous communication and collaboration tools like e-mail, bulletin boards, whiteboards, chat rooms, videoconferencing, and teleconferencing, interactive elements like simulations, immersive environments, and games, various testing and evaluation methods like self-assessment, multiple choice testing, etc. At the same time, technology can break teacher's isolation, providing them with prospects to communicate beyond the traditional school-management hierarchy.

Web-based Inclusive E-Education-

Web-based solutions help to participate in the learning process to the same degree with other students. Students with special needs can face issues associated with moving over long distances and it allows providing educational services taking into account the interests of all students and schools, also offers students an easy-to-use and intuitive tool for tracking academic progress.

Online App for Inclusive E-Education-

Special education software helps students with disabilities to reach their potential. Individualized Education Program (IEP) software simplifies the work with children that have learning issues caused by brain injuries, developmental delays, intellectual disabilities and response to intervention software provide tools required for assessment of students' knowledge.

Teachers Role in Digital Learning for Inclusive E-Education-

Digital learning is based on some technological standards of teachers' professional dealing standards and some standards are described as the general teachers' competence in the application of ICT, and some standards are described as specific e-competencies for inclusive e-education system modelling like e-learning, e-teaching, etc. There are three dimensions of the teachers' ICT-competencies like ICT awareness, ICT readiness, ICT drill, ICT practice. ICT integration in everyday teaching and learning systems which is defined by three key components, like knowledge of pedagogy, knowledge of

subject matter and knowledge of technology support. Teachers can be in a position of the creator of the e-teaching process or the user of the e-teaching/e-learning attainment. Teacher activities in e-teaching scenarios can be broken into two major tasks mainly, providing the content for the students and supporting communication between students therefore, modern teachers and e-teachers should be able to organize different types of e-learning and e-teaching levels. Finally, the importance of e-moderation in different teaching situations supported by the communication and e-moderator is one of the teachers' roles in e-teaching, especially in the 21st century inclusive e-teaching.

Digital Support for 21st Century Inclusive E-Education-

People with disabilities are entitled to the same human rights as all other citizens and in most countries, people with special educational needs usually include the subgroups like people with specific learning disabilities, persons with visual impairments, persons with hearing impairments, people with slower cognitive functioning, autistic people, people with neurological and other diseases, people with complex cognitive, emotional and social difficulties, people with multiple difficulties, and people with speech and language disorders. Assistive technology a hardware/software, used to increase, improve/maintain capabilities of persons with disabilities. It enables people with disabilities to execute tasks that are sometimes difficult/impossible to do without technical aid, and helps them to achieve their learning. Digital learning should be designed to promote participation, allowing all students to take part in all subjects and activities, enhancing cooperative learning, offering powerful opportunities. E-education like e-learning/e-teaching is the central part of inclusive e-education of students with disabilities and the planning of learning activities and the development of scenarios are emphasized, especially in the field of inclusive e-education of students with disabilities. The major benefits of developing digital learning for students with disabilities, positive effects of e-learning and education in e-environment on them and accessibility are peer support by using computer mediated communication tools and possibilities for peer-to-peer collaboration and to avoid social isolation. Digital learning education enables students with disabilities to be proactive and self-reliant, rather than reactive and dependent and teacher preparation for digital teaching students with disabilities is one of the most important segments of developing an e-learning environment for all.

Types of Technology Used in Special Education-

Assistive technology increases functional capabilities for people with disabilities and learning differences. Modern operating systems often include settings to adapt the software based on the user's needs. Technology can adapt to those learning styles to deliver content in the way that works best for the student. Special education students often rely on low-and no-tech items such as highlighters, organizers, pencil grips to position fingers correctly, raised paper with tactile cues to keep the child between the lines, timers to show how much time is left to mentally prepare a student for change, and magnetic sheets to hold words and pictures.

Advantages of Technology in Special Education

Technology helps special education students find their voice shows how students can communicate and express themselves with technology. These are students with autism, down syndrome, cerebral palsy and speech delays. Technology does more than accommodate students and level the playing field. One common traditional teaching method uses handwritten text on paper and in worksheets and workbooks. Some students struggle to capture their thoughts on paper because they have poor handwriting skills or because they cannot hold a pen/pencil. Technology gives students extra support that traditional methods cannot provide. Students with visual processing disorders may struggle with reading. Technology can read words out loud to help students who read along, matching the text with the audio recording. In a traditional classroom, the teacher teaches the students in the same way without considering individual learning preferences and differences and with technology, teachers can individualize learning and teach in smaller groups. Other benefits of technologies are increased independence, personalized learning, and better connection with peers, reduced anxiety, and easier communication and improved academic skills.

Drawbacks of Technology in Special Education-

One of the biggest drawbacks of technology use in special education involves cost. Digital technology tells the story of a student with cerebral palsy who struggled to keep her place while reading. Her teacher solved the problem by procuring a used iPad and installing an app that would sound out text. Another downside is the lack of teacher

training. Educators need training on how to make the most of technology and incorporate it into the classroom. Technology can create unrealistic expectations. Unless the technology has restrictions and blocks in place, students can get distracted by playing with apps/browsing the internet. Teachers want to avoid using technology as a babysitter.

Assistive Technologies for the Best Inclusive E-Education-

- ❖ Trackball
- ❖ Key guards and touch screen
- ❖ Enlarged Keyboard
- ❖ Braille watches and letters
- ❖ Low-vision software for magnification, screen and document reading
- ❖ Teletypewriter or telecommunications device for the deaf
- ❖ Voice Output Communication Aids
- ❖ Graphics database of Picture Communication Symbols
- ❖ Touch-sensitive keyboard
- ❖ Spelling correction software

Digital Tech Tools towards Inclusive E-Education-

- ❖ Abi Talk apps for speech therapy and special needs to directly download.
- ❖ EdShelf apps and read to educators about the tools for classroom use.
- ❖ A Day in Our Shoes apps for Autism and special needs, specific to disability.
- ❖ Bridging Apps offers bridge the gap between technology and people with disabilities.
- ❖ Helper Bird for open dyslexic font, overrides the text on a webpage to make it easier to read.
- ❖ Autism Speaks apps for developing social skills, behavioural interventions, etc.

Educational Implication and Suggestions

The current program for students with disabilities ability to meet the needs and maximise the learning of all children and young people with disabilities, the future capacity of the government school system to meet the specific needs of students with disabilities, the feasibility of shifting to a strength-based, functional needs assessment

approach for students with disabilities, capacity to support the Government's commitment to excellence in inclusive education, including an assessment of accountabilities, teacher educator institutions should provide teacher educators with in-service trainings, workshops and seminars on digital learning towards IE, education systems should provide in-service and pre-service training to teachers in computer assisted instruction and computer managed instruction in education, design digital learning based instructional material to facilitate online teaching and learning, the professional development and the teacher training policies should support the digital learning towards 21st century IE.

Conclusion

The use of technology in special education helps break the barriers for people with disabilities and provide them with access to the most relevant educational programs and properly designed software and hardware allow students with special needs to get modern education and achieve any required information online. Technology helps provide students with individual learning events and enables reaching higher flexibility and differentiation in educational methodologies. With modern technology, teachers can adapt to the possibilities of a particular student with minimum effort and choose one of the dozens of available learning tactics designed to meet the needs of individual learners and 21st century *teachers can use technology to offer a variety of learning opportunities and approaches that engage, instruct, and support special education students with a myriad of tactics designed to appeal to individual learners*. The framework of e-environment for students with specific learning disabilities includes assistive technology, e-learning and e-teaching technology. Digital technology plays a fundamental role in including students with some impairments and giving them the real opportunity to participate and to learn. The primary purpose of digital technology for students with physical impairments is to let them write and communicate. It is achieved with a wide range of input devices, pointing devices, and software to support writing, reading, drawing, and studying. Digital technology solutions are created to meet the educational needs of students with language and speech impairments. Digital technology tools to support learning skills like reading, writing, calculating, etc. and other school activities for students with specific learning impairments in learning.

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“KAUTILYA’S ARTHSHAstra”: EVOLUTION OF SCIENCE OF MANAGEMENT IN ANCIENT INDIA

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Abstract

From the beginning of the civilization the art of management in administration level was co-exist, where it led to systematic arrangement of function performed by the individuals. In Modern time Management is an art of planning, organising, staffing, directing and controlling the activities of an organisation towards the achievement of predetermined goals of wealth and profit maximization. It is a combined efforts of all levels of Management to ensure the achievement of goals in an organisation. This phenomenon is being carry forwarded from the ancient time as well where “*Kautilya Arthshastra*” had depicted the principles which an administrator had to follow for best governance of the state. By applying those principles how a *Rular* can built long-term goals for good governance of the state or the empire. The existence, development and execution of management activities was found in the Historical literature of “*Kautilya Arthshastra*”. Therefore, well management was treated as an essence for the good governance of an empire. In ancient times the qualities of wisdom, intelligence Valor, bravery, knowledge and leadership was learnt in early age in essential manner.

The ancient literature has influence on corporate governance, corporate administration and leadership as well. In ancient time theories were based on few basic principles of “*Kautilya Arthshastra*”. The principles and concepts are relevant in the modern time as well in corporate governance. Therefore, this research is required to find out, how this literature influenced and contributed in the development of modern management studies, strategic management, and corporate governance. An attempt is made to illustrate that what are the unexplored areas where “*Kautilya Arthshastra*” attributed in the field of Management to the other related segments to be explored.

This research paper analysed the socio-economical, individual-behavioural, and institutional factors and factors, that highly contributed to modern management practices. The research paper also investigated the implementation that has been done so far in management and the progress accomplished in the corporate sector concerning Strategy formulation and execution. In the coming future, the requirement of good governance with strategic implementation will be highly essential. Therefore, the research study will contribute in the apprehension of strategic upright in the management of economic activities in the country as well.

Keywords: Strategic Management, Corporate Governance, Ancient Literature, Kautilya Arthshastra, Leadership and Administration.

Introduction

The '*Arthshastra*' and '*Ayurveda*' were considered the oldest *Shashtra* in ancient Indian times. These were the two of the Indian philosophies that were based on logic and studies the '*Arthshastra*' was known as a science of politics it can be also said that the political aspirations were completed or achieved due to this writing for the good governance of a state. '*Arthashastra*' was written by Kautilya for efficient governance or to manage a kingdom, empire, or country well.

Therefore, it was developed in ancient India, and was generally based on political grounds The ancient thinkers were also known for their original thinking and original contribution in the field of political upliftment with good governance in a state. Kautilya wrote the '*Arthshastra*' with the goal orientation of Empire building with the upliftment of social system to set a standard for good governance. Therefore, Kautilya's literature was a success in setting a relationship between the four of sciences like politics, economics, philosophy, and theology.

As in '*Arthashastra*' in respect of management or leadership perspective, the term *Rajya* was figured as a kind of an institution or an organisation, the *Raja* or king is the leader was treated as Board of directors of the entity or organisation and the *mantri or ministers* were treated in management as the chief executive officer (CEO) who specializes in their respective field of management. Therefore '*Arthashastra*' related well with management studies popular in the present era.

Theories of Management

The theories of management are categorized into three broad categories; they are classical Management Theory which is based on the industrial revolution and focuses on the maximization of production as well as the efficiency of the employees. In the Behaviour Management Theory which is totally focussed on human and social factors of the organisations. Whereas, the Modern Management Theory, which combines mathematical principles with the sociology or social behavioural aspects, for the holistic development of individuals at all levels of management. The above all the theories of Management are different in their own aspects and the management theories can be applicable at various levels of Management at various units of organizations or institutions. The scope of modern management theory had a wide scope and the evidence was found in the ancient literature of its existence in the past.

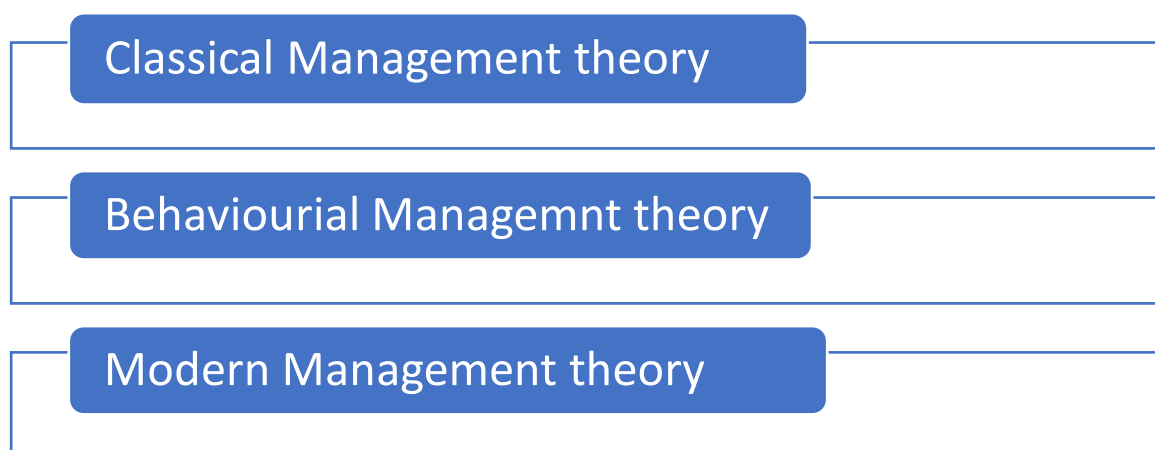


Fig:1 Categories of Theories of Management

Classical Management Theory

The classical Management Theory gives importance to profit making. The employees are only motivated when they have benefited personally and it has a positive result in the increasing efficiency and the productivity of the employees. The classical Management Theory specializes in incentivization and position structure. Because of the hierarchical positions, the employees of the organizations are very well-known

about their work the standardization of work also increases efficiency and productivity and reduces the wastage and losses of the organization.

Behavioural Management Theory

The Behavioural Management Theory gives importance to the personal than the business operations. Therefore, it works over the behavioural management of an individual in the organization. It gives personal attention to the social atmosphere of the organization which ultimately affects the productivity of the individual and will not only help to motivate individuals for the achievement of organizational goals but remain them to keep working with full motivation and teamwork. It is also found that, when the employees or the individuals are happy and works in a happier environment, they performed better for the development of the organization with self-motivation. It also ensured that team efforts or group dynamics affected the desired performance.

The behaviour Management Theory also works upon the human relations theory, which helps in balancing personal relationships with professionals one. Therefore, Hawthorne studied about social and healthy relationship in an organization can create miracles for the upliftment and achievement of organizational goals. In 1960, McGregor developed Theory 'X' and Theory 'Y' in "*The Human Side of Enterprise.*" in which Management looks after for the workers who lack motivational drive where Theory 'X' is applicable as Theory 'Y' applicability workers are known for their self-motivation and who benefited due to participating environment of the organization itself.

Modern Management Theory

The Modern management theory helps to balance human psychology with scientific methodology. Gives more importance to the individual satisfaction with the job offered and the creation of a healthy corporate environment. It also uses the latest statistical analysis for decision-making, performance appraisal, and streamlining its major operations in business.

Therefore, some of the strategies in management emerged to achieve the organizational goals in the long term and there are few of the conflicts or the problems related to the organization that can be effectively solved with the help of *Kautilya's*

Arthshastra specific various strategies that are truly applicable in the modern era. It can be stated that how a ruler should act and take actions while ruling his kingdom, with good administrative qualities. The good governance is only established with properly and structured principles and rules with disciplined implementation.

Literature Review

Shubhash Sharma, 1994 explored in his research studies that ‘*Arthshastra*’ can be treated as a foundation book for the present managers. It was highlighted that theories of leadership and motivation, administration of finance, decision making, etc can be traced in the ‘*Kautilya Arthashastra*’

Chimayananda, 2003 highlighted that there is a need to look at and relook at our ancient literature to find out the effectiveness of the application of these ancient texts in the present scenario of modern management and its other areas of application.

Balbir S Sihag, 2005 illustrated in his research studies that Kautilya had considered the importance of Knowledge management to the economic prosperity of a state. Knowledge-based management and wisdom-based knowledge were the main theories of attraction in the field of management.

Balakrishnan Muniapan, 2008 in the research studies the researcher explored about the ancient literature belongs to the 4th Century BC and its broader impact on institutional management today. It was highlighted that the self-management is more important than any other management. The Kautilya Arthshastra has touched the areas of organisational management.

Pradeep Kumar Gautam, 2018 discovered in his research studies some key aspects of leadership and management theories. The art of statecraft, warcraft and diplomacy were propagated and highly required for a successful governance of a state.

Neera Jain, Shoma Mukharji, 2009 illustrated in their research studies about the different leadership approaches, the strategic and skill-based approach and applied the holistic approach where the factors effecting were treated or considered as whole not an individual. The researcher’s value-based considerations were acknowledged widely and the findings were appreciated.

Need and Significance of the Study

The objective of the research paper is to understand the '*Kautilya Arthshastra*' and its contribution to modern management. There is a dearth of research in the field of management to find out the roots from where it was originated and applied as modern management tools. The rich knowledge of Arthshastra contributed highly to the management and administration.

Therefore, this research is significant in finding out the contribution and impact of traditionally written work on modern management and its related areas of application. The research study will be helpful in finding out the hidden areas of management where there was an impact of *Kautilya Arthshastra*. It will be helpful for the management and administrative positions of institutions, researchers, and students of management studies.

Research Methodology

The methodology of the research paper is positioned on a qualitative research methodology called *hermeneutics*. *Hermeneutics* is the study of the ancient or prehistoric religious text or literature. It can be described as a method in which ancient literature is interpreted and acknowledged. It is also used in various disciplines in the theories studied and the interpretational methods of all textual literature, that includes the writing piece composed or written in the past that have their existence that were interpreted as an experience as well.

Hermeneutic is known as a particular system or method for interpretational activity, or the interpretation of a specific theory. The *hermeneutics* also includes the investigation and study of not only of literature known as ancient texts, but also the behaviour of human-being that may include the different languages spoken and speech-patterns popular in the area studied, the social groups and the institutions, and the traditional ritual followed by individuals.

Sanskrit is one of the languages that have their existence in the ancient world and many other languages that were popular in European and Asian countries were also influenced with *Sanskrit*. It was found that Kautilya composed the ancient literature based on good governance and management '*Arthashastra*' in the *Sanskrit* language.

Hermeneutics is widely appreciated and applied in many fields of social science such as law, sociology, philosophy, theology, and religion and also international relations. The author also visited various websites and several research papers for the work done so far in this area of the research study.

‘*Arthshastra*’ and the Evolution of Science of Management

The concept behind the writing of *Arthshastra* is a ‘Science of Governance’ and ‘leadership with political agenda’ and an ‘Art of Warfare’ on the battlefield. Through *Arthshastra*, Kautilya helped the king to give instructions with respect with performing duties for the state and in the state of conflicts what can be done with the help of the policies formed by Kautilya in the state of War, internal conflicts, Politics, and resolving the economic issues in the state effectively.

The main theme behind the composition *Arthshastra*, was to understand the ruling concept for a king as we know that ‘*Arthshastra*’ is known for the monetary, or the economic, well-being of a state. Therefore, it was a necessity to form a rule book, which propagate the economic concepts and may help to resolve, the economic issues of the state. Therefore, it was not only important for the monetary benefits but also for social well-being but, it also significantly propagated the productivity of a nation's taxing authority for better management of budget and collection of income. The ‘*Arthshastra*’, helps to maintain the balance, between the aspirations of the king in respect of expanding the kingdom, and the welfare of the people of an Empire. It was also known as a rulebook of a Kingdom or an empire, where a ‘war’ for expanding the territory was a common phenomenon, the enforcement of law and order with justice and economic well-being, and foreign support was highly required.

‘*Arthshastra*’ is known as the extension of the ‘*Arth*’, where individuals and social relationships are maintained by keeping the legal, political, and economic factors coordinated in the state well in the state. ‘*Arthshastra*’ comprises 15 books where book one, denotes the king ruling as a king, appointment of ministers and the safety and security of the kingdom. The book 2 based on the duties of all officers and explains the role of the state in agriculture and other activities. Book 3 explains the law and administration and codes of law. Book 4 illustrates the detection and solving of crime

and control over the artists, labours and traders and gives them punishment accordingly. Book 5 deals with official salary and advising authority to the ministers of the state.

Book 6 denotes constituting elements of ruling the state and the foreign policy will be adopted. Book 7 demonstrates about the Mandala theory and tells that is important in adversity or crises. Book 8 explains the weaknesses, shortcomings, and disasters that affect the kingdom adversely. Book 9 mobilizes for war expeditions while taking into consideration the dangers and problems to be solved accordingly. Book 10 encompasses the main battlefield, types of battles, and different modes of fighting. Book 11 constitutes protocols that are to be followed by the king after the conquer of the territory. Book 12 enumerates the situation where a stronger King can suppress the weaker king and ultimately how the weaker can overcome the strongest one with the correct strategy. Book 13 is concerned about, how to king should rule to win a territory. Book 14 describes about the secret practices followed in the kingdom for better management. Book 15 enumerates About 32 best practices or methods of ruling a state.

Therefore, it is well-informed and confirmed that the basic rule or concept behind the writing of the '*Arthshastra*' was to form the best government in the state. It is important not only for the economic stability of the state but also for good internal administration, cordial relations with the people, and good foreign relations. The king should not emphasize on expansion of the kingdom but a practical method of solving a problem and be flexible in adopting flexible solutions to changing the circumstances in the state.

'*Arthshastra*' was depend upon 3 basic pillars that were administration that ensured law and order and collection of revenue in the state. The second is related to the law and justice which includes both criminal and civil laws. The third pillar is based upon foreign policy which includes the expansion of the territory by fighting war with the kings of data entry. Therefore, it ensures the three basic objectives which include wealth, justice and growth.

Results and findings

The research findings which are resulted due to this research study are enumerated as follows:

1. It is a science of strategy making in warfare or a situation of conflicts in ancient times where *Arthshastra* was composed as a rule book for the governance of empire most justifiably. The political, diplomatic, economic, military and legal strategies were formulated with the help of the rules of *Arthshastra*. By being taking it a base there is modification and strategy making is continuing in expansion of business, earning profit, increasing market share. Therefore, it is proved that, *Arthshastra* had a great impact in Management Practices in present scenario, modern management. Even in prestigious institutions are incorporated to study Kautilya as a case study.
2. It was not only for solving the conflicts among the territories for growth or expansion of Kingdom but the social practices like four classes and various subclasses for the division of work due to expertise and skills. It is also found in management where division of work is executed, by taking into consideration the skills and three levels of management in hierarchal order, which clearly shows that it was also influenced with practices mentioned in '*Arthshastra*' in respect of division of work in proper hierarchy.
3. '*Arthshastra*' was known as a science of statecraft, diplomacy and administration. Taking it as a base, the science of management also deals with management principles, which generally incorporate with proper management of all levels of management with co-ordination and direction.
4. Kautilya is also well-versed in the theory of motivation which was based on four major pillars of diplomacy and governance i.e. *Saam*, *Dana*, *Danda*, and *Bheda* where *Saam* is achieved by praising the good qualities, attributes, nature, wealth, etc., of a person or awarding him with greater tasks or promoting to the higher ranks. In *Dana*, one gives some gifts, by exempting taxes and granting some monetary and other benefits. *Danda* is punishment for great deviations or acts of any anti-social activity.
5. '*Arthshastra*' has a deeper impact, on the theories developed and adopted in modern management where the satisfaction level of '*Praja*' or the empire's residents was highly sought and appreciated in the past. Similarly, in contemporary management, contentment and the satisfaction level of employees, and customers are highly demanded. Maximum internal policies are

formed to increase the satisfaction level of the employees and the customers, so the impact on the turnover turns several folds positively.

6. Similarly, in '*Arthshastra*' there was a great emphasis on the right and effective budget system and taxation system collection and the collection of revenue from the residents by the government for the appropriate '*Kosha*' or treasury maintenance and its best possible utilization for the development of the Ruling Empire and the residents. Therefore, taking it as a base, the impact shown in the current economic system, is where the budget and its scientific development is always appreciated with effective levy and tax collection with effective and appropriate maintenance of Balance of Payments in the current economic scenario.

Conclusion

In a nutshell '*Arthshastra*' is known as a science, that provides a manual not only for acquiring a territory but also helps to provide a wide range of rules and regulations, so that Kings can protect their territorial Kingdom and maintain law and order for the benefit of the people. So, with the guidelines for politics and administration Kautilya showed to the whole civilized world that, how he controlled such a disturbed and unsatisfying political administration which was ruled by an efficient '*Rular*' and established a Kingdom where effective governance is always being appreciated in history through the guidelines provided by the Kautilya in '*Arthshastra*' a rule book or a constitution for a kingdom. The main objective of the '*Arthshastra*' was to demonstrate the guidance for good governance but, it significantly also provided a structure for the Maintenance of the treasury or '*Kosha*' for the economic well-being of the state it also focused on the right balance of the ruler and ruled the expect so that the ruler could come to the successful expectation of the ruled with a balance of welfare activities in the state.

It also provides guidelines, for the development of effective foreign policy. It was to be adopted for external trade and better cordial relations with the neighboring states/countries. Solutions for strategic governance so that individual, social, legal political, and economic-relation can be built with diplomatic administrative politics. Therefore '*Arthshastra*' has taken as a basis in developing many modern scientific principles of management which shows above that '*Arthshastra*' has a profound

impression in developing such principles and are adopted at various levels of administration and management it is can be truly said that 'Arthshastra' has a profound impact in developing scientific principles in this modern era as well. Therefore, one can successfully debate that 'Arthshastra' was based on scientific principles, which are applicable today only as Motivational Theories which include, monetary and non-monetary incentive plans, Strategic Planning, Expansion of business, Quality Maintenance, Unity of direction, Contentment or satisfaction level of employees, Effective Budgetary System and Taxation, collection of revenue from the residents according to income level by the government. Therefore 'Arthshastra' had a significant impact on the development of Scientific principles of administration and management in the present scenario.

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