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**INTERNATIONAL MARKETING LOGISTICS**

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**ABSTRACT**

*The job of coordinations has so far been seen by numerous senior directors and CEOs. As simply getting the correct item to the opportune spot at any rate cost. To be fruitful coordinations chiefs of ongoing occasions in any case, a more extensive viewpoint must be created, with due acknowledgment of the vital job of calculated administration inside the organization. Strategic the executives of securing, development and capacity of crude materials, semifinished parts and completed merchandise through an association and its promoting channels, to satisfy clients arranges in a most expense adequately way fulfills the esteem chain process and assumes imperative job in commitment towards authoritative profitability. In the present condition of "Survival of the fittest" an ever increasing number of organizations will in general look at, rebuild and reposition their activities to increase upper hand, and in this, logistics can assume an essential job in the joining and separation vital intended to deliver the ideal focused advantage. A exchange off must be arranged among expense and administration guidelines. Global coordinations is regularly very much overseen at an operational dimension with an accentuation on decreasing expenses, however it ought to be increasingly created towards a key dimension where an open demeanor would envelop the possibility to work universal co-ordinations framework focusing more on administration. Under the vital calculated administration, decision of transportation mode is a crucial part. Transport cost incorporates all expenses related with the development of item starting with one area then onto the next. The normal transport cost range between five to six percent of the suggested retail cost of the item. Throughout the years, the order of business has created from being simple warehousing and transportation issues to that of a meeting room trap. Consequently the central handle of this order by understudies of Commerce, International Business, Economics, Business Administration, Professional in Import Export Management and business people wandering into abroad business should lead them to additionally addressing, examining towards flawlessness and testing the formative issues around there.*

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**INTRODUCTION**

Physical conveyance or co-ordinations the board, as indicated by Philip Kotler and Gary Armstrong includes, "arranging, actualizing and controlling the physical stream of materials, last merchandise and related data from purposes of cause to purposes of utilization to meet shopper necessities at a benefit". Along these lines co-ordinations is physical appropriation. V.S. Ramasamy and S. Namakumari depict physical dissemination just as, "the way toward achieving the item to the buyers". Physical circulation or co-ordinations includes playing out every one of those exercises that encourage the physical development of products from makers to the clients/purchasers. As indicated by William D. Perreault JR. furthermore, E. Jerome McCarthy, co-ordinations is, "the moving, putting away and treatment of merchandise to coordinate focus on clients' needs with an association's advertising blend both inside individual firms and along a channel of conveyance".

"Logistics" has been gotten from the French word *loger*, who alludes to the game plan providers and convenience of the military troops, in genuine circumstances likewise the revamping of providers to military troops of harmony and war circumstances to guarantee the fighters on the fronts are not denied of the providers and ammo of transportation as well.

The expression "coordinations" has turned into widely inclusive and incorporates the executives of worldwide production network and appropriation of completed just as crude materials over the nations and continents. Any firm arranging universal promoting needs to mastermind its worldwide production network and circulation in such a way, that it is proficient, financially savvy and makes positive commitments to firm generally speaking destinations. An organization inventory network comprises of the coordination and game plan of materials, data and stream of assets, starting from the providers of the crude material to the believers, to the conveys of materials possession, to the ultimate shopper and its attention on the continuation of the cycles so established, and all the while, including an incentive at each phase of dealing with by the go-betweens till it at last fulfills a buyer need. This procedure unites architects of the item, providers of the man, machinery and materials, subcontractors, fabricating organizations, bearers of completed products to the client.

The following key terms:

1. Customer service requirements
2. Plan and distribution centre network design



3. Inventory management
4. Outsourcing
5. Key customers and suppliers relationship
6. Business processes
7. Information systems
8. Organisational design and training requirements
9. Performance and evaluation metrics.

### **TRADITIONAL VS MODERN CONCEPTS**

The conventional idea of physical conveyance began with items at the makers plants and finished with passing on them to clients.

The advanced idea of physical conveyance or coordinations has two part frameworks. Agreeing Stern and Ansary "coordinations the board incorporates the all out stream of materials from obtaining of crude materials to the conveyance of the completed products to a definitive purchaser and the counter stream of data that controls and records the material developments".

The advanced idea of coordinations the board manages whole supply chains, i.e., both inbound dispersion and outbound conveyance systems. the store network is really arranged to impact esteem added streams root to goal.

### **STRATEGIC LOGISTICS SYSTEM**

Physical conveyance or coordinations framework ought to have a key introduction, i.e., linkages with internal and external environs. The following is displayed a model of key coordinations framework with information sources, process, yields, exercises and activities,

A key coordinations framework should most importantly be arranged, sorted out, executed and gathered. The administrative capacities should be directed as to the fundamental strategic capacities like request handling warehousing, and so on, concerning crude materials, in-process stock just as definite products. For this to happen inputs-physical assets, HR, budgetary assets and data assets must be focused on the framework. The yields of the framework are utility creation, viable development, focused edge in coordinations administration and coming about consumer loyalty.

### **TYPES**

Consumer logistics system, industrial logistics system, services logistics system and JIT logistics system are another way of classifying system.

1. Consumer logistics: System is nothing but outbound logistics.
2. Industrial logistics: is in-bound logistics. Industrial logistics service has to ensure supply right quantity at right time at the right place in right mode. Within global level outsourcing, industrial logistics has become a challenging task. This is a type of inbound logistics. Inbound logistics with operations spanning all the 7 continents pose great challenges. Inbound logistics also involves learning with the supplier. Supplier development, ensuring supplier's compliance in terms of shipment and communication with suppliers to rope them into our system are needed. Consolidation of cargo from different suppliers, managing flow of components from multiple sites to a designated hub for consolidation of load and dispatch to user plants are involved. All these must be done with stress on just in time inventory.
3. Just-in-time logistics: Inventory must reach the place of consumption just-in-time when needed and leave the place of production just-in-time after process completion. This helps in reducing to the barest minimum both input inventory and output inventory. And the cost saving is immense. This requires an integrated logistics management. The same is pictured already.

### **REQUIREMENTS FOR JIT LOGISTICS**

#### **JIT logistics require the following**

1. Integration of input and output logistics,
2. Daily process management of order positions, receiving, loading, shipping, delivery, documentation, etc,
3. Information to suppliers of order on hand and the input requirements,
4. Vendor development and relationship

5. Making vendors understand the process of JIT and helping them to carry out their jobs as per need,
6. Suppliers production compliance to meet out order requirement
7. Consolidation at hub points of suppliers from different suppliers
8. Flight optimization and coordination of different nodes everyday flight to move freight more efficiently,

### **TYPES OF SERVICES**

Hotels, airlines, transport, accounting and auditing, post and telegraph, hospital, bank and financial institutions, insurance companies, computer and other into service, there are government services like post, railways, police, judiciary etc. there are business service, advertisements, research and project service etc. There are non-profit private services like education, charities, religious services, museums etc. There are professional services like auditing, healthcare, solicitor ship, engineering design, architecture etc...

### **OBJECTIVES**

#### **1. To Create Place Utility**

Coordinations gives place utility. Crude material and information get esteem expansion when the crude material and data sources achieve creation or transformation point at the opportune time, in right amount and in right physical request, and get changed. Correspondingly, delivered merchandise when they achieve utilization point, get esteem expansion. This is place utility. Transportation makes place utility. Furthermore, transportation is a necessary piece of coordinations.

#### **2. To Create Time Utility**

Logistics creates time utility. take the case of newspaper, whose demand is at its peak in the morning hours. So their value is great when these reach the readers hands in the morning hours. That is time utility. from publication and printing point the newspaper reach interior destination points in time. Thus logistics creates time utility. whenever there is not much time between production and consumption, transportation logistics creates time utility. whenever production time and demand time do not coincide, time utility becomes relevant and warehousing creates time utility.

#### **3. To Provide Customer Satisfaction**

Logistics adds to consumer satisfaction. Maximum customer service is the goal of physical distribution. Quick delivery, large quantity of inventory, delivery as close to the consumer as possible, liberal assortments and flexible sales turn over policies, etc. Lead to consumer satisfaction. And customer base increases. "same day", "express" and "overnight" delivery concepts are in currency today. The physical distribution machinery has to live up to the new expectations of the people.

#### **4. To Effect Cost Saving**

Logistics offer excellent cost opportunity, if carefully planned executed and controlled. Peter drucker, would say that, "physical distribution" is the "dark document of Africa and Napoleon's days". It is therefore, an area where immense cost savings can be effected. An American study of Ronald Henkoff put that over 10% of GDP was spent on wrapping, bundling, loading, unloading, sorting, reloading and transport of goods in 1993. In underdeveloped countries with inefficient transport system, the costs are likely to be higher indeed

#### **5. To Make Price Stabilization**

Logistics help stabilization of prices. Warehousing and transportation offer, buffer effect on prices-i.e., support falling prices and resist rising prices. Seasonal production and year-round consumption and year-round production and seasonal consumption are situations that warrent efficient warehousing function. So that price does not fall steeply during seasonal production and off-season consumption and does not fall steeply during peak consumption and off- production season. Quick transportation and efficient loading and unloading also help holding the price line.

#### **6. To Help Channel Management**

Logistics management can be used to influence channel management. When a company decides to decentralized inventory, the choice of distribution channel is influenced. It can go own ware-houses or use wholesalers warehouse or other public warehouse. Logistics is physical movement aspect of channel management.

#### **7. To Affect A Particular Level Of Service**

Logistics management influences the level of service offered the consumers. There are several service components involved. The level of service as to each component must at least be equal to that of competitors. These are the minimum expected by consumers.

### 8. To Effect Efficient Order Management

There is an explosion in this line and varieties of products that a typical retail store handles now. From the retailers' point of view, keeping track of the innumerable product lines, procuring them, storing them, and delivery of the same to buyers is a tough task. Efficient ordering, efficient order executions, efficient transportation, and warehousing hold the keys to efficient retailing. It is reported that HLL is operating with just 2% of its sales in inventory. It is possible with excellent PD function only.

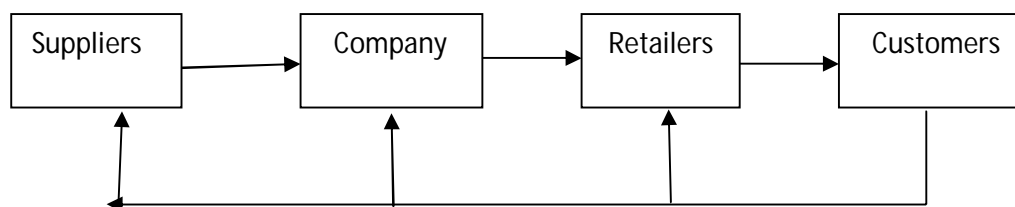
### 9. To Offer A Range Of Add-On-Service

Door-to-door service including picking-up from anywhere and delivering to anywhere, bundling and packing, de-bundling and re-packaging, weather proof or weather proof or weather conditioned back rejects and empties, and a host of incidentals are what industry and customers need. Modern logistics management makes all these possible.

### 10. To Provide It Enabled Service

Information technology offers immense scope for improved logistics management. Tracking consignment, point of sale scanners, bar-coding of the products, electronic fund transfer, E-mail, fax, etc., are now possible, changing the face of logistics management.

### FUNCTIONS



### INBOUND LOGISTICS FUNCTIONS

**Inventory Of Raw Materials:** Need careful management. Variety of inputs, multiplants, multi-warehouse points, different suppliers, different lead times etc., make monitoring raw material stock levels difficult and hence more important. Inventory level fixation, EOQ analysis, ABC and VED classification, etc. will enable reducing shocks and surprises.

**Re-Order Placement:** may be computerized as soon as re-order point is reached, order placement is effected. Satellite communication interface with suppliers is the order of the day in developed countries and just-in-time inventory system is adopted.

**Transportation Of Goods:** ordered comes next. Even if the supplier takes the responsibility, the choice of mode, safety, timeliness, ease of handling, cost and convenience have to be considered by the procurer-manufacturer. In the case of improved goods, multimodal transportation may become necessary, in the case use of "containers" is economical and convenient.

**Receiving The Goods:** involves certain routine but essential operations such as quality checking, verification, classification and accounting.

**Handling The Goods:** involves unloading, de-wrapping and de-bundling. Special devices and equipments are used to handle goods.

**Warehousing The Goods:** involves allotting share space/bins, storing the goods in the allotted spaces/bins, record keeping for issue and returns, etc..

**Shipment to Plant:** involves sending the goods to plants where these are to be processed. This is a transportation function. Of course, with multi-plants and multi-warehouses, decisions as to from which warehouse to which plant, how much suppliers be made, given cost and time factors, are to be made. Linear programming models can be used.

**In-plant ware housing:** finally comes which involves storage at the plant, pending use.

### OUT BOUND LOGISTICS FUNCTIONS

**Recording Receipt of Order:** is the first function. Order may be received from several quarters, from several kinds of buyers and so on. All these need to be recorded.

**Inventory Level Monitoring:** is the second function. Inventory with the producer himself, with distributors and retailers need to be monitored so that production, procurement and logistics components can be tuned to ensure

sufficient inventory level at all levels. Maximum, minimum and reorder levels, EOQ, etc., may be fixed at all levels in the supply chain for all products. Real-time inventory level information, if available will make logistics management to go smoothly without unexpected shocks and surprises.

**Order Processing:** is the third function, which involves processing of data relating to what is ordered for, how much or how many, who has ordered for, what is the invoice value, what is the quality of the account, mode of payment adopted or preferred, time of delivery, mode of delivery, special requisitions, if any, and so on. Quick processing of orders is necessary so that retail and wholesale level inventory are maintained at adequate for order making and execution thereof in advanced countries. Besides postal mail, E-mail, telephone, fax and the mundane sales representative or special messenger route are employed for order placement. Whatever the mode of order placement adopted, speedier processing of the same is the hallmark of efficient logistics management.

**Transportation:** to the wholesaler/distributor/retailer/consumer comes next on the basis of order that is executed. Specified preference and specific requirements, cost and convenience, product nature and order size, safety and security, speed and flexibility and so on are the variables that are important. There are different modes available with distinct service, capacity, flexibility, features. Choice of mode depends on several factors listed above. Railways suit farm products, minerals like iron ores and coals, sand, chemicals and automobiles. Roadways suit clothing, petro goods, books, food, paper goods, etc. Waterways suit fertilizer, sand, coal, oil, etc. Pipelines suit oil, coal and chemicals and airways suit perishable goods, info-goods and documents.

**Ware Housing:** the products is a priority function. As production precedes consumption, warehousing the produced goods is a necessary function of logistics management. How many warehouses, at what locations, of what size and of what form are the questions that answering. More warehouses will mean higher level of service to consumers and channel members. But costs will go up. More than the number, location of warehouse is important as geographical spread is taken care of by it. Size of warehouse should normally consider the regional market potentials served by a distribution centre, transport bottlenecks, production factors etc. Sophisticated warehousing using laser scanning is the order of the day. Very spacious warehouses spanning dozens of acres of space under single roof and handling 100s of trucks a day exist today in most countries. Conveyer system is adopted to stake and de-stake products. Computerized warehousing management systems that read orders, direct robots or electric hoists to gather products, move them to loading docks, issue invoices and do other related functions are the order of the day.

**Communication, Tracking and Accounting:** are certain software functions of logistics management. Communication with channel members about inventory levels and other positions, tracking the consignments, place and phase of the particular consignment in transit and accounting for orders executed are very much functions of logistics. Perhaps these are extended logistics management functions which have become essential in these digital electronic days of space competition and technological advancements.

**Other Service:** handling sales tax and excise tax, documentation, packing, repacking, bundling, packaging, wrapping, de-wrapping, collection of bill, claim processing, etc., are other services of logistics management now-a-days undertaken.

## WAREHOUSING OPERATIONS

1. Receipt and inspection of goods coming to the warehouse
2. Storage, preservation and inspection of the wares in stock
3. Packing and dispatch of goods going out of the warehouse
4. Stock- taking at periodic intervals

According to **Louies W.Stern** and **ELAnsary** warehousing are as follows:

1. Carrying physical inventions
2. Planning for freight consolidation
3. Assembling goods from different plants
4. Re-grouping and bulk-breaking into customized orders
5. Packaging and p-o-p display
6. Storing goods in transit
7. Seasoning/ripening/processing to a limited extent

8. Providing credit information about wares in stores
9. Order filling
10. Dry bilk commodity handling, storage and bagging

### ESSENCE OF LOGISTICS IN MARKETING

Showcasing Process is effectively finished when

- Products are delivered and estimated to fulfill the distinguished needs of the fragment of purchasers
- Arrangements are made to supply these merchandise through chosen appropriation channels
- An mindfulness is made among the purchasers about the accessibility of the merchandise through data assistance.
- Goods are physically provided to the purchasers at the spot and time chosen by them.
- Besides fulfilling the clients need, the promoting procedure must be gainful to the merchant.

The Marketing sense, utility isn't only the convenience of an item to fulfill the client needs yet in addition moving the item from an assembling office to the client.

Along these lines, Logistics is a connection between the assembling and offering process that prompts the making of spot and time utility. While the generation component in the advertising – blend

(item, value, place and advancement) prompts formation of 'structure' utility by accepting choices as product offering assortment, plan, shading brand, administration, and so forth the appropriation component

Containing dispersion channel obsession and physical development, makes 'time' and 'spot' utility by guaranteeing that the delivered merchandise achieve the spot and time picked by the purchaser.

Coordinations is the planning and overseeing of a framework so as to control the stream of material all through an enterprise. This is an essential piece of a global organization in view of geological hindrances. Coordinations of a worldwide organization incorporates development of crude materials, planning streams into and out of various nations, decisions of transportation, and cost of the transportation, bundling the item for shipment, putting away the item, and dealing with the whole procedure.

### Marketing Trends

|                     | Past Expectations     | Today`s expectations |
|---------------------|-----------------------|----------------------|
| Products            | Standardized products | Customized products  |
| Forms               | Predefined            | Often configured     |
| Time                | Now as available      | When wanted          |
| Quality             | Acceptable            | Exceed Expectations  |
| Price               | Low                   | Competitive          |
| Value added service | Minimal               | complex              |

### CONCLUSION

This international marketing-logistics if concluded the marketing technology are improved in past few years. This will require domestic laws and regulations, innovative organising approaches, global network are connected to this marketing. This marketing faces in many problems and issues. This marketing is not suitable for all the investors and buyers. The product and prices will be changing in customers trends. New ideas will be creating to all level ex. warehouse, products, marketing place, and quality. Getting familiar with the different undertakings and difficulties of coordinations, particularly about transport, money, and supplies has been an incredible help in my comprehension of what a logistician does. This will without a doubt prove to be useful in the event that I turn into a Logistics Officer in the Canadian Forces, which I intended to do, by following in my dad's calling. I have increased new knowledge and a more noteworthy appreciation for what my dad has done in his profession. Finding out about these things, similar to transportation and supplies, should make it less demanding to see a portion of the undertakings I will be set to do later on. I may need to realize the costs associated with transporting individuals and supplies to various spots and tasks on the planet. I may likewise need to find out about accounts, and how to ensure that I could deal with the fiscal resources profitably. Wars can be won and lost because of calculated victories or disappointments, as a military can not battle on the off chance that it doesn't have any weapons, supplies, transportation to the fight, and so on. This is the reason coordinations is crucial to the Canadian Forces.



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conclusion-logistics.

**A STUDY ON NATIONAL ACCOUNTS ON BRICS COUNTRIES: SECTOR - WISE SHARE ANALYSIS****Dr. A. Muthusamy<sup>1</sup> and Jansirani P.<sup>2</sup>**Professor<sup>1</sup>, Department of International Business, Alagappa University, Karaikudi  
Research Scholar<sup>2</sup>, Department of Commerce, Alagappa University, Karaikudi**ABSTRACT**

*In overindulgence of the largest part of current 20 years the BRICS countries taking part in the global swap have been almost tripled. BRICS countries national account with GDP contribution include remorseless to strain even in an environment of reduced world import and export. Economic enlargement is completely supposed to sell to other countries as a locomotive. The study has the objectives of evaluation of the national account with respect to GDP of BRICS Countries and the measurement of the share of primary, secondary and tertiary industry sector to GDP of BRICS countries national account. The study examined the hypotheses that the relationship between the shares of all industries to GDP of BRIC countries during the study period. The present study focused a period of ten years, taking from 2006-2007 to 2015-2016. The BRICS countries national accounts analyzed based on Gross Domestic Product (GDP), Per Capita GDP, and GDP growth rate change, Share of primary, secondary and tertiary industry to GDP through using the descriptive analysis, correlation and regression model. The result shows that the positive correlation with all countries in BRICS respect to GDP and per capita and also found that there is a relationship between the shares of all industries to GDP of BRIC countries during the study period.*

*Keyword: BRICS, National Accounts, GDP, Per Capita, Industry Sectors.*

**INTRODUCTION**

The ellipsis of BRIC were in the beginning formulated by economist O'Neil Jim of Sachs Goldman in 2001 in a description on prospects in growth for the economies of Brazil, Russia, India and China which together represented a significant share of the world population and world's production. In the year 2006 the four countries in the BRIC started a standard unceremonious ambassadorial harmonization with yearly meetings of overseas ministers at the boundaries of the general debate of the UN common assembly. This victorious communication leads to the pronouncement of the discussion accepted at the echelon of heads of state and government in yearly summits. In 2009 the first summit at Yekatterinburg provided the depth and scope to the BRIC members. It shows the result of South Africa has an additional member country of BRIC in the year 2011. A Supplementary one more country adds in with international trade and industry array BRICS became a fresh and promising market to the entire world. After the first summit, 10 summits were held in Brasilia(2010), Sanya(2011), New Delhi(2012), Durban(2013), Fortaleza(2014), UFA(2015), Baulim(2016), Xiamen(2017) and Johannesberg (2018). In every annual BRICS countries wants to conduct at least one annual meeting. During this period through this annual meeting the BRICS has to pill the two main goals: (i) harmonization in dual form, with a focal point on trade and industry and political ascendancy; and (ii) collaboration between members.

Economic enlargement is completely supposed to sell to other countries as a locomotive. A country wins through trade next of kin with its fellow citizen country for utilizing the obtainable resource with optimal portion. Following the path of economic pre-eminence BRICS are transcending ecological, sequential, and unsophisticated differences in order to give confidence their public figure and collective interests at a time when the in progress, economic deprivation and on the way out US supremacy mean greater opportunities for emerging countries in the worldwide context. Together the BRICS account to supplementary 47% of the global inhabitants, nearly 39.5% of the land crowd, and contribute to world GDP in PPP terms that augmented from 18.5% in 2017. As of 2018, these BRICS countries have a collective apparent GDP of US\$18.8 (in trillion) on the subject of 23.5% of the gross world product, mutual GDP (PPP) of something like US\$ 40 (in trillion) (world's GDP-PPP at 32%). This study focused on the national accounts on BRICS countries with respect to primary, secondary and tertiary industry during the study period.

**IMPORTANCE OF THE STUDY**

As per a portrayal on BRICS countries' trade kindred the input of all the countries in global imports and exports amounted to US\$ 2454 billion and US\$ 2984 billion respectively. BRICS countries recorded operate surplus to requirements in the contributed 14% to global imports and 18% for international exports. BRICS countries payment for the humankind trade and industry growth, and investment evaluated the protuberance for this to persevere in the potential. And it also explores the probable position that BRICS countries can connect in pastime in bolstering the universal thrift measure in reshaping worldwide financial good deal and in contributing to the sustainable evolution goals and to all-inclusive progress generally. Economic growth with

respect to national accounts of China and India is very inspiring in the last decades. Over the year Russia's exhibited the growth in GDP. This study is essential to find out the national accounts on BRICS countries with respect to various sectors in the country.

### IMPORTANCE OF THE STUDY

In overindulgence of the largest part of current 20 years the BRICS countries taking part in the global swap have been almost tripled. BRICS countries national account with GDP contribution include remorseless to strain even in an environment of reduced world import and export. Connectivity in the middle of the BRICS and wedged between the BRICS and the other budding market and mounting countries has in adding together earlier than through inflamed trade and investment. If investment rates within BRICS counties increase, the BRICS contribution to the global economic intensification all the way through 2020 is predictable to be higher. A superior growth rate in all nations depends upon the earlier BRICS growth performance in GDP. This study helps to analyze the national accounts on BRICS countries with respect to primary, secondary and tertiary industry during the study period.

### OBJECTIVES OF THE STUDY

The study has the following objectives:

- To evaluate the national account with respect to GDP on BRICS Countries.
- To measure the share of primary, secondary and tertiary industry sector to GDP of BRICS countries national account.

### METHODOLOGY

The study is based on empirical in nature and the data available in BRICS countries joint statistical report was accomplished. Secondary data used for the research study exclusively. GDP and various industrial sectors' data were collected from the respective countries annual report and from its websites. And all other obligatory information has been collected from various intellectual journals and literatures.

### PERIOD OF THE STUDY

The present study focused a period of ten years, taking from 2006-2007 to 2015-2016.

### HYPOTHESIS

The present study formulates the following hypothesis:

$H_0$ : There is no relationship between the shares of all industries to GDP of BRIC countries during the study period.

$H_1$ : There is a relationship between the shares of all industries to GDP of BRIC countries during the study period.

### REVIEW OF LITERATURE

**B Mpho (2017)<sup>1</sup>** in his article analyzed the effects of the BRICS in the enlargement of world economics. The study is based on the pragmatic in nature and the principle of the study is to inspect the BRICS countries presentation how it influences the other country in their economic development during the study period. The study period is from 1960 to 2013. Saikkonen and cointegration technique used for authenticate Brazil and China's long run family members growth in economic and other country output expansion. Through this study monetary growth of BRICS countries stretched causality were examined, all the way through Toda and Yamamoto move toward. The outcome of the study denotes that the China and Brazil's intensification in economic relation with the all countries show cryptogram of a long run.

<sup>1</sup>Mpho Bosupen, (25 Mar. 2017). On the effects of the BRICS on world economic growth. *Journal of statistics applications and probability, An international journal*, 6(2), 429-439. <http://dx.doi.org/10.18576/jsap/060217>.

**R Raguramaphatruni (2015)<sup>2</sup>** in her study presented the proportional and bloodthirsty advantage on BRICS countries. In the global economic pitch the BRICS countries played main ingredient with balance of payment in influence jagged outstandingly towards Asia better than the next decades. BRICS countries apart from the complementing exchange resource suppliers to the world industry. The study established that the BRICS countries gratifying rather than determined to each other in an assortment of sectors. And also pragmatic a high promising of multilateral trading government among them, which could augment speed the south trade.

**Gabriela R Irina, et al. (2014)<sup>3</sup>** in their study focused the new-angled trends in world financial system and BRICS countries defy to it. This article examines the BRICS countries magnitude towards other nations in the global financial system. Financial calamity had no powerfully built effect on the BRICS country and it had

improved economic performance than urbanized nations. The major significant factors with the purpose of lead to the financial dispersion out of the grouping were an amplified participation of factors and enormous weighing machine of populace and possessions. Brazil and Russia are for the nearly everyone most part based on enormous reserves of mineral resources and speculations finished in international markets. China has a development of disgraceful labor and income at low prices. India is also based on economical personnel. BRICS countries with the exemption of Brazil shows tremendously far above the ground rate of speculation. The existing anxiety is to estimate whether the BRICS countries will have the identical ascending tendency given the frail blemish recognized within them the important stage of dishonesty, at the bottom of unlike ideologies, greater than experience to commodities etc.

### DATA ANALYSIS

The BRICS countries national accounts are going to analyze based on Gross Domestic Product (GDP), Per Capita GDP, and GDP growth rate change, Share of primary, secondary and tertiary industry to GDP through using the descriptive analysis, correlation and regression model.

<sup>2</sup>Raguramapatrani, R. (Oct 2015). Revealed comparative advantages and competitiveness: A study on BRICS. *Arabian journal of business and management review*, 5 (5), 152.

<sup>3</sup>Irina Gabriela Radulescu, Mirela, P. Catalin, V. (Dec 2014). BRICS countries challenge to the world economy new trends. *Procedia economics and finance*, 8, 605-613. DOI:10.1016/S2212-5671(14)00135-X.

### GROSS DOMESTIC PRODUCT (GDP)

The following table No.1 indicates the BRICS country's gross domestic product, current prices in US \$ during the study period from 2006-2007 to 2015-2016.

**Table No.1: BRICS Country's Gross Domestic Product during the period from 2006-2007 to 2015-2016 (Current Prices/US\$)**

| BRICS        | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014  | 2015  | 2016  |
|--------------|------|------|------|------|------|------|------|-------|-------|-------|
| Brazil       | 1397 | 1695 | 1669 | 2208 | 2612 | 2459 | 2464 | 2417  | 1801  | 1796  |
| Russia       | 1300 | 1661 | 1223 | 1525 | 2034 | 2154 | 2232 | 2086  | 1372  | 1286  |
| India        | 1247 | 1105 | 1435 | 1744 | 1824 | 1828 | 1857 | 2034  | 2089  | 2273  |
| China        | 3554 | 4601 | 5110 | 6101 | 7576 | 8560 | 9611 | 10483 | 11063 | 11203 |
| South Africa | 299  | 287  | 297  | 375  | 417  | 396  | 367  | 351   | 318   | 295   |

Source: BRICS Joint Statistical Report

**Table No.2: Correlation Analysis in BRICS Country's Gross Domestic Product (GDP) during the period from 2006-2007 to 2015-2016**

| BRICS   | Brazil  | Russia | India   | China | South |
|---|---------|--------|---------|-------|-------|
| Brazil  | 1       |        |         |       |       |
| Russia  | 0.878** | 1      |         |       |       |
| India   | 0.474   | 0.204  | 1       |       |       |
| China   | 0.453   | 0.313  | 0.940** | 1     |       |
| South Africa  | 0.916** | 0.756* | 0.335   | 0.233 | 1     |
| **Correlation is significant at the 0.01 level (2-tailed) |         |        |         |       |       |
| *Correlation is significant at the 0.05 level (2-tailed)  |         |        |         |       |       |

Source: Computed

### Result

From the table no.2 it shows that BRICS country's gross domestic product is correlated positively. It is observed that the correlation matrix between Brazil and Russia is of the order of .878, correlation matrix between Brazil and India's GDP is of the order of 0.474, correlation matrix between Brazil's GDP with China is of the order of 0.453 and the correlation matrix between Brazil and South Africa is of the order of 0.916. This table also found that the correlation matrix between Russia and India is of the order of 0.204, correlation matrix between Russia's GDP with China is 0.313 and with South Africa's GDP is of the order of 0.756. It is also clear

that the correlation matrix between India's GDP and China is of the order of 0.940 and with South Africa is 0.335. The correlation matrix between China and South Africa is of the order of 0.233.

### Per Capita GDP

The following table No.3 shows the BRICS country's per capita gross domestic product, Current prices in US \$ during the study period from 2006-2007 to 2015-2016.

**Table No.3: BRICS Country's Per Capita GDP during the period from 2006-2007 to 2015-2016 (Current prices/US\$)**

| BRICS        | 2007 | 2008  | 2009 | 2010  | 2011  | 2012  | 2013  | 2014  | 2015 | 2016 |
|--------------|------|-------|------|-------|-------|-------|-------|-------|------|------|
| Brazil       | 7373 | 8852  | 8623 | 11295 | 13231 | 12343 | 12258 | 11919 | 8810 | 8713 |
| Russia       | 9101 | 11635 | 8563 | 10675 | 14227 | 15044 | 15551 | 14279 | 9372 | 8768 |
| India        | 1096 | 958   | 1227 | 1470  | 1495  | 1480  | 1485  | 1605  | 1628 | 1750 |
| China        | 2697 | 3473  | 3839 | 4561  | 5636  | 6338  | 7081  | 7684  | 8068 | 8127 |
| South Africa | 6153 | 5818  | 5944 | 7389  | 8086  | 7564  | 6900  | 6490  | 5775 | 5276 |

Source: BRICS Joint Statistical Report

**Table No.4: Correlation Analysis in BRICS Country's Per Capita GDP during the period from 2006-2007 to 2015-2016**

| BRICS   | Brazil  | Russia | India   | China  | South |
|---|---------|--------|---------|--------|-------|
| Brazil  | 1       |        |         |        |       |
| Russia  | 0.883** | 1      |         |        |       |
| India   | 0.416   | 0.174  | 1       |        |       |
| China   | 0.364   | 0.29   | 0.906** | 1      |       |
| South Africa  | 0.849** | 0.700* | 0.113   | -0.061 | 1     |
| **Correlation is significant at the 0.01 level (2-tailed) |         |        |         |        |       |
| *Correlation is significant at the 0.05 level (2-tailed)  |         |        |         |        |       |

Source: Computed

### Result

From the table no.4 it provides that BRICS country's per capita gross domestic product is correlated positively except one indicator (China with South Africa). It is observed that the correlation matrix between Brazil and Russia is of the order of 0.883, correlation matrix between Brazil and India's GDP is of the order of 0.416, correlation matrix between Brazil's GDP with China is of the order of 0.364 and the correlation matrix between Brazil and South Africa is of the order of 0.849. This table also shows that the correlation matrix between Russia and India is of the order of 0.174, correlation matrix between Russia's GDP with China is 0.29 and with South Africa's GDP is of the order of 0.700. It is also clear that the correlation matrix between India's GDP and China is of the order of 0.906 and with South Africa is 0.113. The negative correlation matrix between China and South Africa is of the order of 0.233. India is optimistically highly correlated with China.

### GDP growth rate change from the preceding year

The following table no.5 gives the details about the BRICS country's GDP growth rate change from the preceding year in percentage during the study period from 2006-2007 to 2015-2016.

**Table No.5: BRICS Country's GDP growth rate change from the preceding year during the period from 2006-2007 to 2015-2016 (Percentile)**

| BRICS        | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| Brazil       | 6.1  | 5.1  | -0.1 | 7.5  | 3.9  | 1.9  | 3    | 0.1  | -3.8 | -3.6 |
| Russia       | 8.5  | 5.2  | -7.8 | 4.5  | 4.3  | 3.5  | 1.3  | 0.7  | -2.8 | -0.2 |
| India        | 9.8  | 3.9  | 8.5  | 10.3 | 6.6  | 5.5  | 6.5  | 7.2  | 7.9  | 7.1  |
| China        | 14.2 | 9.7  | 9.4  | 10.6 | 9.5  | 7.9  | 7.8  | 7.3  | 6.9  | 6.7  |
| South Africa | 5.4  | 3.2  | -1.5 | 3    | 3.3  | 2.2  | 2.5  | 1.7  | 1.3  | 0.3  |

Source: BRICS joint statistical report



**Share of primary industry in GDP**

The following table no.6 gives the details about the BRICS country's share of primary industry to GDP in percentage during the study period from 2006-2007 to 2015-2016.

**Table No.6: BRICS Country's Share of primary industry in GDP during the period from 2006-2007 to 2015-2016 (Percentile)**

| BRICS        | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| Brazil       | 5.2  | 5.4  | 5.2  | 4.8  | 5.1  | 4.9  | 5.3  | 5.2  | 5    | 5.5  |
| Russia       | 4.4  | 4.4  | 4.6  | 3.8  | 4    | 3.7  | 3.8  | 4.1  | 4.6  | 4.7  |
| India        | 21   | 20.4 | 20.3 | 21   | 21.7 | 21.4 | 21.5 | 20.8 | 19.8 | 19.6 |
| China        | 10.3 | 10.3 | 9.8  | 9.5  | 9.4  | 9.4  | 9.3  | 9.1  | 8.8  | 8.6  |
| South Africa | 11.3 | 12.4 | 11.8 | 11.9 | 12.1 | 11.5 | 11.4 | 10.8 | 10.2 | 10.3 |

Source: BRICS joint statistical report

**Share of Secondary Industry of GDP**

The following table no.7 shows the details about the BRICS country's share of secondary industry to GDP in percentage during the study period from 2006-2007 to 2015-2016.

**Table No.7: BRICS Country's Share of secondary industry in GDP during the period from 2006-2007 to 2015-2016 (Percentile)**

| BRICS        | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| Brazil       | 27.1 | 27.3 | 25.6 | 27.4 | 27.2 | 26.1 | 24.9 | 24   | 22.3 | 21.2 |
| Russia       | 36.4 | 35.9 | 33.7 | 34.8 | 33.8 | 33.5 | 32.9 | 32.1 | 32.8 | 32.4 |
| India        | 26.3 | 25.7 | 25.2 | 24.3 | 29.3 | 28.6 | 27.9 | 27.4 | 27.2 | 26.8 |
| China        | 46.9 | 46.9 | 45.9 | 46.4 | 46.4 | 45.3 | 44   | 43.1 | 40.9 | 39.8 |
| South Africa | 21.3 | 22.1 | 21.6 | 20.9 | 20.3 | 20.5 | 20.6 | 21.2 | 21.3 | 21.1 |

Source: BRICS joint statistical report

**Share of Tertiary Industry**

The following table no.8 given the detailed information about the BRICS country's share of tertiary industry to GDP in percentage during the study period from 2006-2007 to 2015-2016.

**Table No.8: BRICS Country's Share of tertiary industry in GDP during the period from 2006-2007 to 2015-2016 (Percentile)**

| BRICS        | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| Brazil       | 67.7 | 67.3 | 69.2 | 67.8 | 67.7 | 69   | 69.8 | 70.8 | 72.7 | 73.3 |
| Russia       | 59.2 | 59.7 | 61.7 | 61.4 | 62.2 | 62.9 | 63.3 | 63.8 | 62.7 | 62.9 |
| India        | 52.7 | 53.9 | 54.5 | 54.6 | 49   | 50   | 50.6 | 51.8 | 53   | 53.7 |
| China        | 42.9 | 42.8 | 44.3 | 44.1 | 44.2 | 45.3 | 46.7 | 47.8 | 50.2 | 51.6 |
| South Africa | 67.4 | 65.5 | 66.6 | 67.2 | 67.6 | 68   | 68   | 68   | 68.5 | 68.6 |

Source: BRICS joint statistical report

**Descriptive Analysis of GDP with share of all sector industries**

The following table no.9 provides the details about the mean value and standard deviation of BRICS country's GDP growth rate and the share of primary, secondary and tertiary industry to GDP during the period from 2006-2007 to 2015-2016.

**Table No.9: Descriptive Statistics of BRICS Country's Share of all industries to GDP during the period from 2006-2007 to 2015-2016**

| Industry               | Mean    | Std. Deviation | N |
|------------------------|---------|----------------|---|
| GDP growth rate change | 4.4400  | 3.45467        | 5 |
| Primary industry       | 10.1880 | 6.60520        | 5 |
| Secondary industry     | 30.3320 | 9.18276        | 5 |
| Tertiary industry      | 59.4840 | 10.05741       | 5 |

Source: Computed

**Correlation Analysis in BRICS Country's Share of all industries to GDP**

Correlation analysis of BRICS Country's Gross domestic product and Share of all industries to GDP during the period from 2006-2007 to 2015-2016 was analyzed in the following table no.10.

**Table No.10: Correlation Analysis in BRICS Country's Share of all industries to GDP during the period from 2006-2007 to 2015-2016**

|                     |            | GDP Growth | Primary | Secondary | Tertiary |
|---------------------|------------|------------|---------|-----------|----------|
| Pearson Correlation | GDP Growth | 1.000      |         |           |          |
|                     | Primary    | .580       | 1.000   |           |          |
|                     | Secondary  | .621       | -.221   | 1.000     |          |
|                     | Tertiary   | -.948      | -.455   | -.768     | 1.000    |
| Sig. (1-tailed)     | GDP        | -          |         |           |          |
|                     | Primary    | .153       | -       |           |          |
|                     | Secondary  | .132       | .360    | -         |          |
|                     | Tertiary   | .007       | .220    | .065      | -        |

Source: Computed

### Result

From the above table no.10 explores the correlation between the GDP and primary industry, secondary industry and tertiary industry share to GDP. All the sectors are negatively correlated with each one. Primary, secondary and tertiary industries negatively correlated within each other. DGP growth rate change with primary and secondary industry correlated positively and negatively with tertiary industry share to GDP during the study period.

### Regression Analysis in BRICS Country's Share of all industries to GDP

BRICS Country's Gross domestic product and Share of all industries to GDP during the period from 2006-2007 to 2015-2016 was analyzed in the following table no.11 using the regression model.

**Table No.11: Regression Analysis in BRICS Country's Share of all industries to GDP during the period from 2006-2007 to 2015-2016**

| Model  | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|--|-------------------|----------|-------------------|----------------------------|---------------|
| 1  | .963 <sup>a</sup> | .927     | .854              | 1.32108                    | 2.423         |
| a. Predictors: (Constant), Tertiary, Primary |                   |          |                   |                            |               |
| b. Dependent Variable: GDP                   |                   |          |                   |                            |               |

Source: Computed

GDP growth, change in the BRICS countries have positive value 2.423 and the statistically significance of 99 percent and the R-square value is 0.927 which indicates that the GDP growth change is 92.7% associated with all other three industry's share of GDP in BRICS countries.

**Table No.12: ANOVA in BRICS Country's Share of all industries to GDP during the period from 2006-2007 to 2015-2016**

|  | Model      | Sum of Squares | Df | Mean Square | F      | Sig.              |
|--|------------|----------------|----|-------------|--------|-------------------|
| 1  | Regression | 44.248         | 2  | 22.124      | 12.677 | .073 <sup>b</sup> |
|  | Residual   | 3.491          | 2  | 1.745       |        |                   |
|  | Total      | 47.739         | 4  |             |        |                   |
| a. Dependent Variable: GDP                   |            |                |    |             |        |                   |
| b. Predictors: (Constant), Tertiary, Primary |            |                |    |             |        |                   |

Source: Computed

**Table No.13: Regression Analysis in BRICS Country's Share of all industries to GDP during the period from 2006-2007 to 2015-2016**

| Coefficients <sup>a</sup>  |            |                             |            |                           |        |      |                         |       |
|----------------------------|------------|-----------------------------|------------|---------------------------|--------|------|-------------------------|-------|
| Model                      |            | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. | Collinearity Statistics |       |
|                            |            | B                           | Std. Error | Beta                      |        |      | Tolerance               | VIF   |
| 1                          | (Constant) | 21.084                      | 5.048      |                           | 4.176  | .053 |                         |       |
|                            | Primary    | .098                        | .112       | .187                      | .869   | .476 | .793                    | 1.262 |
|                            | Tertiary   | -.297                       | .074       | -.863                     | -4.020 | .057 | .793                    | 1.262 |
| a. Dependent Variable: GDP |            |                             |            |                           |        |      |                         |       |

Source: Computed

## Result

The regression model fits quite well with robust R-square value and the entire variable are significant. The model is bringing the idea that GDP growth, change, though, has a significant effect on primary industry, secondary industry and with tertiary industry. During the study tertiary industry share is an important factor of GDP growth, change of BRICS countries with the negative association so the countries want to improvement in tertiary industry. At the same time primary industry's share shows the positive association with GDP growth change. The overall analysis, it shows that there is a relationship between the shares of all industries to GDP of BRIC countries during the study period.

## CONCLUSION

Together the BRICS account to supplementary 47% of the global inhabitants, nearly 39.5% of the land crowd, and contribute to world GDP in PPP terms that augmented from 18.5% in 2017. As of 2018, these BRICS countries have a collective apparent GDP of US\$18.8 (in trillion) on the subject of 23.5% of the gross world product, mutual GDP (PPP) of something like US\$ 40 (in trillion) (world's GDP-PPP at 32%). This study focused on the national accounts on BRICS countries with respect to primary, secondary and tertiary industry during the study period. The study found that the correlation analysis in BRICS country's gross domestic product (GDP) positively correlated with each others. India with China has the highest positive correlation. Per capita GDP had the positive correlation with each other, especially India with China followed by Brazil with Russia and South Africa. DGP growth rate change with primary and secondary industry correlated positively and negatively with tertiary industry share to GDP during the study period. GDP growth, change in the BRICS countries have positive value 2.423 and the statistically significance of 99 percent and the R-square value is .927 which indicates that the GDP growth change is 92.7% associated with all other three industry's share of GDP in BRICS countries. The overall analysis, it shows that there is a relationship between the shares of all industries to GDP of BRIC countries during the study period.

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## MARKETING MIX IN GLOBAL MARKET

Dr. T. R. Gurumoorthy<sup>1</sup> and M. Santhiya<sup>2</sup>Professor<sup>1</sup> and Research Scholar<sup>2</sup>, Department of Commerce, Alagappa University, Karaikudi**ABSTRACT**

*Showcasing blend and its components – particularly the Four Ps including item, value, spot and advancement in the mechanical market. It audits the idea of promoting blend and manages its components and afterward, examines in a word the effect of every component on the accomplishment of modern market. The exploration demonstrated that mechanical showcasing is not quite the same as advertising for definite purchaser products and enterprises in that it is a business-to-business promoting and the quantity of purchasers is constrained. Subsequently, it is considerably progressively touchy to pull in different organizations to purchase from the vender business and keep them fulfilled for a nonstop business relationship.*

*Promoting blend components are adjusted for universal markets and how organization, industry, and market factors impact the dimension of adjustment. The investigation depends on a study of official dimension directors in U.S.- based organizations that advertise items globally. The overview acquired data on the degree of adjustment over the showcasing blend components and on organization, industry, and market factors that impact this procedure. The outcomes show that adjustment is most noteworthy for appropriation, trailed by value, advancement, and item. Item adjustment is impacted by market factors, value adjustment is affected by market and industry factors, advancement adjustment is affected by market elements, and dissemination adjustment is impacted by organization factors. The consequences of the exploration can be utilized to both comprehend and deal with the degree of adjustment fundamental for items in universal markets.*

**INTRODUCTION**

Showcasing blend, otherwise called the Four Ps, is likely the most well known promoting term. Its components (item, value, spot and advancement) are the essential and strategic segments of a showcasing plan (Kavousy, Shahhosseini, Kiasi, and Ardahaey, 2010). Numerous creators contend that understanding the client frame of mind toward 4Ps showcasing blend is essential (Purnomo, van lair Ende, Vanapalli, and Mugele, 2008). Constantinides stresses that showcasing blend is a structure of the overwhelming advertising the board worldview to recognize advertise improvement, natural changes and patterns. A few investigations affirm that the 4Ps is in reality the believed applied stage of specialists managing operational promoting issues (Coviello, Brodie, and Munro, 2000; Romano and Ratnatunga, 1995). The wide acknowledgment of the 4Ps among field advertisers is the consequence of their significant presentation to this idea amid school years, since distinguishing the 4Ps as the controllable parameters is probably going to impact the customer purchasing procedure and choices (Brassington and Pettitt, 2006; Soekartawi, 2009).

The showcasing specialists in ventures, especially on the information providers, consider the 4Ps as the amazing toolbox of promoting procedure. The info providers assume a critical job in the business framework which gives ventures the crude materials, Fabricated Materials,

Establishments, Accessory Equipment, Operating Supplies, and so on. In this appreciation, this article endeavors to ponder showcasing blend and its best known components in the modern market.

**INTERNATIONAL MARKETING MIX: PRODUCT**

Fundamental showcasing ideas reveal to us that we will move all the more an item on the off chance that we intend to address the issues of our objective market. In global markets this will include thinking about various distinctive elements including customer's social foundations, religion, purchasing propensities and dimensions of individual discretionary cashflow. As a rule an organization should adjust their item and promoting blend technique to meet nearby "needs and needs" that can't be changed. McDonalds is a worldwide player notwithstanding, their burgers are adjusted to nearby needs. In India where a cow is a consecrated creature their burgers contain chicken or fish rather than hamburger. In Mexico McDonalds burgers accompany bean stew sauce. Coca-cola is a few sections of the world taste better than in different spots.

The contentions for institutionalization express that the way toward adjusting the item to nearby markets does minimal more than add to the general expense of creating the item and debilitates the brand on the worldwide scale. In the present worldwide world, where purchasers travel more, watch satellite TV, convey and shop universally over the web, the world is a littler than it used to be. Due to this there is no compelling reason to adjust items to nearby markets. Brands, for example, MTV, Nike, Levis are on the whole fruitful worldwide

brands where they have an institutionalized way to deal with their showcasing blend, every one of these items are focused at comparable gatherings all around.

As should be obvious the two procedures; utilizing a standard item and a modified item can work similarly too. The correct methodology for every association will rely upon their item, quality of the brand and the outside market that the showcasing is gone for.

### **INTERNATIONAL MARKETING MIX: PROMOTION**

Likewise with universal item choices an association can either adjust or institutionalize their limited time procedure and message. Promoting messages in nations may must be adjusted due to language, political atmosphere, social frames of mind and religious practices. For instance a limited time procedure in one nation could cause offense in another. Each part of special detail will require research and arranging one model is the utilization of shading; red is fortunate in China and worn by ladies in India, while white is worn by griever in India and China and ladies in the United Kingdom. Numerous association adjust advancement methodologies to suit nearby markets as social foundations and practices influence what bids to customers.

Before planning special action for an outside market it is convenient to finish a PEST investigation with the goal that you have a total comprehension of the elements working in the remote market you might want to enter.

#### **Changes in Promotion**

Before an organization chooses to wind up worldwide, it must think about a large number of variables remarkable to the global advertising condition. These components are social, social, political, lawful, aggressive, financial, and even mechanical in nature. Eventually, at the worldwide showcasing level, an organization attempting to talk with one voice is looked with numerous difficulties while making an overall promoting plan. Except if an organization holds a similar position against its opposition in all business sectors (advertise pioneer, ease, and so on.), it is difficult to dispatch indistinguishable promoting plans around the world. Hence, worldwide organizations must be sufficiently agile to adjust to changing nearby market patterns, tastes, and needs.

#### **Changing the Global Promotional Mix**

When propelling worldwide publicizing, advertising or deals battles, worldwide organizations test limited time thoughts utilizing promoting research frameworks that give results practically identical crosswise over nations. The capacity to distinguish the components or snapshots of a notice that add to the achievement of an item dispatch or development is the means by which economies of scale are boosted in advertising interchanges. Statistical surveying estimates, for example, stream of consideration, stream of feeling, and marking minutes give knowledge into what is working in a notice in one or numerous nations. These measures can be especially useful for advertisers since they depend on visual, not verbal, components of the advancement.

Considering these measures alongside directing broad statistical surveying is basic to deciding the accomplishment of limited time strategies in any nation or locale. When brands find what works (and what does not) in their limited time blend, those thoughts can be imported by some other market. In like manner, organizations can utilize this insight to adjust different components in their limited time blend that are getting negligible or troublesome reaction from worldwide groups of onlookers.

### **INTERNATIONAL MARKETING MIX: PRICE (PRICING)**

Evaluating on a global scale is an intricate assignment. Just as considering customary value contemplations, for example, settled and variable costs, rivalry and target gatherings an association needs to consider extra factor, for example,

- ❖ The cost of transport
- ❖ Tariffs or import duties
- ❖ Exchange rate fluctuations
- ❖ Personal disposal incomes of the target market
- ❖ The currency they want to be paid in and
- ❖ The general economic situation of the country and how this will influence pricing.

The web has made further difficulties as clients can see worldwide costs and buy things from around the globe. This has expanded the dimension of rivalry and with it valuing weights, as worldwide contenders may have lower working expenses.

**Changes in Pricing**

Estimating is the way toward figuring out what an organization will get in return for its items. In the worldwide advertising blend, evaluating factors are fabricating cost, commercial center, rivalry, economic situation, and nature of item. As one of the four "Ps" in the advertising blend, valuing is the main income producing component.

**The goal of pricing in global marketing strategies falls under three criteria:**

1. Achieving the budgetary objectives of the organization and producing benefits.
2. Matching the substances of the commercial center and shopper purchasing patterns.
3. Support an item's situating so it is predictable with item, advancement and position.

**General Factors Affecting Price**

Like national advertising, valuing in worldwide showcasing is influenced by alternate factors of the promoting blend. Cost in worldwide showcasing methodologies can be impacted by appropriation channels, limited time strategies, and the nature of the item. For example, on the off chance that dissemination is restrictive, at that point costs are probably going to be higher. High costs will likewise be expected to take care of mind-boggling expenses of assembling, or broad publicizing and limited time crusades. In the event that assembling costs go up because of the ascent in cost of some crude material, at that point costs should ascend also.

**The Role of Price in Global Marketing**

Cost will dependably change from market to showcase. Be that as it may, worldwide advertisers must be set up to manage social desires for valuing, yet in addition outer factors including exchange levies, political and financial vacillations, and the authoritative or lawful criteria of explicit purviews. Valuing can likewise be influenced by the expense of generation (locally or universally), regular assets (item fixings or parts), and the expense of conveyance (e.g., the accessibility of fuel). For example, if a nation forces a lowest pay permitted by law that powers the organization to pay more to its laborers, the cost of the item is probably going to raise to take care of a portion of that expense. Normal assets, for example, oil, may likewise vacillate in cost, changing the cost of the last great.

Furthermore, the item's situating in connection to the neighborhood rivalry impacts the brand's definitive net revenue. Worldwide advertisers should cautiously think about how to position their item in worldwide markets, and whether their items are viewed as top of the line, conservative or something in the middle of as per social standards and traditions.

**INTERNATIONAL MARKETING MIX: PLACE**

The Place component of the showcasing blend is tied in with conveying an item or administration to the client, at the perfect spot and at the ideal time. Circulation in national markets, for example, the United Kingdom will likely include merchandise being moved in a chain from the maker to wholesalers and onto retailers for shoppers to purchase from. In an abroad market there will be more gatherings included on the grounds that the merchandise should be moved around an outside market where business practices will be distinctive to national markets. For instance in Japan there are roughly five unique sorts of distributor associated with the circulation chain. Organizations should research dispersion chains for every nation they might want to work in. They will likewise need to research who they might want to pitch their items and administrations to organizations, retailers, distributor or specifically to buyers. The conveyance methodology for every nation a business works in could be distinctive because of overall revenues and transportation costs.

**Changes in Placement**

The worldwide advertising blend contains four primary components: item, value, position and advancement. Despite the fact that item advancement, special strategies and valuing components are the most obvious amid the promoting procedure, situation is similarly as critical in deciding how the item is dispersed. Situation decides the different channels used to convey an item crosswise over various nations, taking in elements, for example, rivalry and how comparable brands are being offered to the objective market.

Worldwide advertising presents more difficulties contrasted with household or nearby promoting. Subsequently, brands contending in the worldwide commercial center regularly lead broad research to precisely characterize the market, just as the characteristics that characterize the item's potential condition. Effectively situating items on a worldwide scale likewise expects advertisers to decide every item's present area in the item space, just as the objective market's favored blend of properties. These properties length the scope of the advertising blend, including value, advancement, appropriation, bundling and rivalry.

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**CONCLUSION**

Showcasing blend characterizes the advertising components for effectively situating business sector offer. As it has been referenced in the writing of the exploration, a standout amongst the best realized models in showcasing blend is the Four Ps, which characterizes the advertising choices in mechanical market just as showcasing among definite purchasers regarding item, spot, cost and advancement. Anyway stopped distinctive the mechanical merchandise and enterprises are from buyer merchandise and ventures, this model, as the most widely recognized one, can be utilized when wanting to offer another endeavor or item, or assessing a current offer, to upgrade the contact with the objective market. Arranging the advertising blend is a key assignment in promoting the board. Watchful and judicious arranging necessitates that advertising directors considering the manner in which markets have reacted to the promoting blend before. This is much progressively extensive in modern advertising, as in mechanical market the quantity of purchasers is restricted and keeping them fulfilled for persistent business relationship is of critical significance. Obviously, the basic presumption isn't that only the past predicts the future with conviction however that it contains profitable encounters that may help edify what's to come.

Advertising chiefs in modern fields ought to explore profoundly the objective mechanical purchasers' understanding, inclinations and observation. It is justifiable in light of the fact that promoting methodologies can to be sure decide fitting techniques in mechanical fields to offer the best administrations in the most recipient route for the two sections of organizations.

Every one of the components of advertising blend and for the most part the Four P's—item, value, spot, and advancement—should cooperate to structure the best showcasing systems in the modern market. Since, regularly choices on one component particularly item and evaluating, will impact the decisions accessible in others. Choosing a compelling blend for the market will beyond any doubt require significant investment and exertion, however these will satisfy as an industry fulfills its clients and make a productive business. When an industry has a decent showcasing blend—the correct item at the correct cost, offered in the opportune spot and advanced in the correct way—it should keep on remaining over market changes and receive its promoting blend as fundamental.

Advertising is a piece of each industry's endeavor that will never finish in the cycle of business rehearses. Thus, considering the significance of its components in retaining modern purchasers furthermore, keeping them fulfilled ought to be the focal worry for all promoting directors in the mechanical market.

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## A CRITICAL REVIEW ON ADOPTION OF ONLINE BANKING SERVICES

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### ABSTRACT

*Financial inclusion through the Online banking services is the prime objective of the RBI as well as the Government of India. Due to the non-feasibility of physical branches at small villages the banks are trying to provide banking channels to offer banking services. However, it is noticed that the utilization of e-banking channels is so poor than the expectation and need to the time. In this paper researcher has investigated the causes behind it and found that, in the adoption of Online banking services the age, gender and educational level, ethnic background, area of residence, customer education and awareness, internet accessibility, awareness, attitude towards change, ease of use and convenience, lack of internet confidence, inadequate knowledge and support, service quality, cost effectiveness are the main determinants for the adoption and using e-banking channels. Hence, while the just beginning and contribution the e- banking channels to the customers the bankers should think over it.*

*Keywords: Determinants and Adoption of Online banking services*

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### INTRODUCTION

Use of ICT for rendering services is foremost trend in the each country today. The Indian banking industry is not away from the same. However, we found that public, private, new generation private and cooperative banks also developing banking network through using information and communication technology and via various electronic means like ATM, Internet banking, mobile banking, POS terminals, green channel banking etc. The almost all banks are investing much more financial resources including human resource to extension of e-banking services. But we noticed that the utilization of these services and e-banking channel is very poor than expectations of banks and policy makers. Actually, there is need to identify the reasons behind it and make proper solutions for this. Hence, the present paper attempted to identify the factors those playing key role in adoption and application of e-banking services by common customers. It helps to banker to make proper use of e-banking channels and reduce the burden on front desk counters of the banking institutions.

### REVIEW OF LITERATURE

**Sedigheh Moghavvemi, Su Teng Lee, Siew Peng Lee (2018)**, in this paper aims to Foreign and local banks in Malaysia are competing in terms of skilled staff, innovative products and services, rendering quality services and customer satisfaction. The purpose of this paper is to examine the overall service quality and customer satisfaction of both foreign and local banks. The data used to test the hypothesis were collected from 748 foreign and local bank customers in Malaysia. The research model was analysed using a structural equation modelling technique. Results show that knowledge and staff competencies, as well as convenience of the bank is more significant for local bank customers while bank image and internet banking are important components for foreign bank customers. The results also reveal that foreign bank customers have higher satisfaction as compared to local bank customers. No analysis is undertaken of any difference in the service quality dimensions between banks of different size. Further research on banking services could usefully test services quality dimensions across banks of different sizes. The findings serve as a valuable reference for local banks understand service quality challenges they may face from foreign banks in this competitive industry. Findings suggest that, to provide high-quality services, financial institutions need to heighten customer satisfaction differentiation strategies.

**Sindhu Singh, R.K. Srivastava (2018)**, in this paper aims to identify factors influencing the adoption of mobile banking in India and develop and empirically validate a model explaining the behavioural intention to use mobile banking in the Indian banking sector. In this study, a model is developed and proposed to explain customers' intention to use mobile banking. The model comprises six constructs, namely, perceived ease of use, computer self-efficacy, social influence, perceived financial cost, security, and trust. The model also describes the relationship between perceived ease of use and computer self-efficacy, as well as that between security and trust. The proposed model was tested by using a survey method, with a sample of 855 bank customers from public, private, foreign, and cooperative banks in India. Structural equation modelling analysis was performed with AMOS 16.0. The proposed theoretical model was found to predict, with statistical significance, the intention to use mobile banking, explaining 76.9 per cent of the variance in the dependent variable. The results found that security, computer self-efficacy, perceived ease of use, and perceived financial cost, in that order of influence, affect customers'



intention to adopt mobile banking. The results obtained will help both academic researchers and practitioners explain, understand, and elucidate the status of mobile banking in India, as well as helping them formulate strategies to expedite the use of mobile banking.

**Visvanathan Naicker, Derrick Barry Van Der Merwe (2018)**, in this paper aims to the factors that influence the adoption of mobile technology by considering the information technology (IT) managers' perception. The research identified the key challenges managers faced and whether management would adopt mobile technology or not. A quantitative approach was used for this research, whereby an explanatory research was utilised. Questionnaires were developed and distributed to respondents who were in management and leadership positions and who were responsible for IT within their organisations. Demographic variables of age, gender differences, level of education, level of experience and culture were tested for association to the perceived factors and adoption. A  $\chi^2$  of association was used to test the association between demographic variables and mobile technology adoption. The results found that perceived ease of use, perceived usefulness, perceived complexity and perceived cost are important factors for adoption. However, perceived risk was a key factor in the adoption of mobile technology. Mobile strategy adoption must consider perceived risk factors central to the adoption. The younger generation (20 to 40) years found it easier to adopt technology than the older generation of 41 years and older. Individuals with a post matriculation level of education understood the importance of risk and cost required for adoption. Purposive sampling from a single industry (Life Insurance) was used. Limited literature was available regarding managers perception of mobile technology adoption in the Life Insurance industry. The research offers managers insight into the important factors that need to be considered in adopting mobile technology.

#### OBJECTIVES OF THE STUDY

- To know the process of adoption of Online banking services by users.
- To identify the key determinants of adoption of Online banking services.

#### RESEARCH METHODOLOGY

The research in a proficient way the following research methodology has been used. By means of obtaining detailed estimation of the customers, this research falls under the category of descriptive research. This study was conducted as a survey that examined customers' satisfaction with Online banking services.

#### SAMPLING TECHNIQUES USED

In the research present study Random sampling technique is used to collect the data. The size of the sample is 360 respondents.

#### STATISTICAL TOOLS APPLIED IN THE STUDY

Analyses have used different statistical tools for analyzing and interpreting the data in this study following tools applied.

1. Descriptive Statistics Method
2. ANOVA(Analysis of Variance) Method

#### DESCRIPTIVE STATISTICS

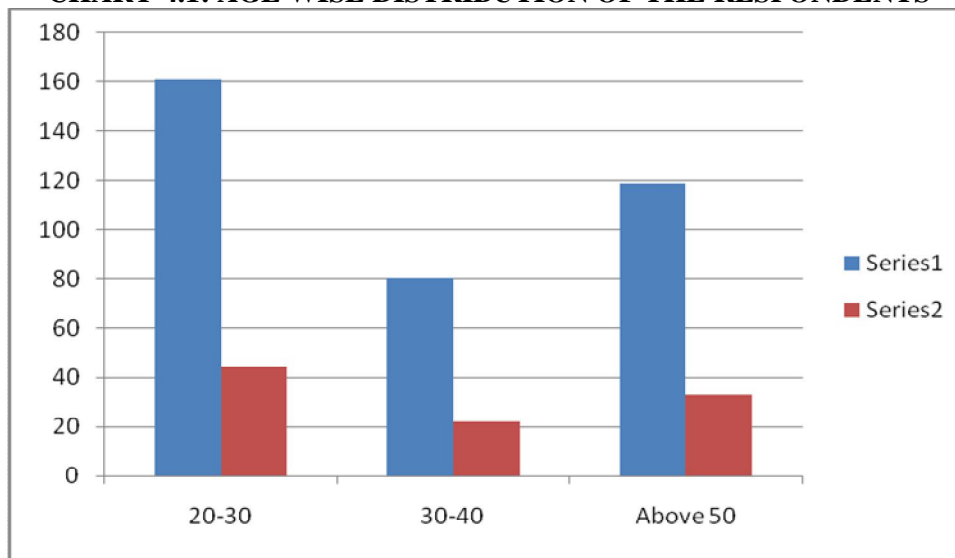
**TABLE-4.1: AGE WISE DISTRIBUTION OF THE RESPONDENTS**

| Particulars | Frequency | Percent |
|-------------|-----------|---------|
| 20-30       | 161       | 44.7    |
| 30-40       | 80        | 22.2    |
| Above 50    | 119       | 33.1    |
| Total       | 360       | 100     |

Source: Primary data

#### Interpretation

The above table indicates that 44.7% of the respondents fall under the category of 20-30, 22.2% under the category of above 30-40. Thus a majority of the respondents fall in the 20-30.

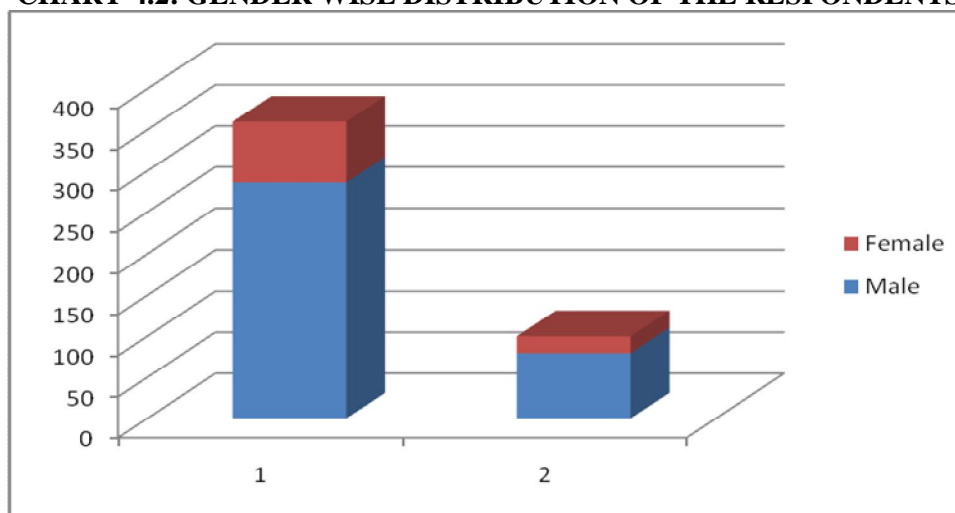
**CHART-4.1: AGE WISE DISTRIBUTION OF THE RESPONDENTS**

**TABLE-4.2: GENDER WISE DISTRIBUTION OF THE RESPONDENTS**

| Particulars | Frequency | Percent |
|-------------|-----------|---------|
| Male        | 286       | 79.4    |
| Female      | 74        | 20.6    |
| Total       | 360       | 100     |

Source: Primary data

### Interpretation

The above table indicates that 79.4% of the respondents fall under the category of Male, 20.6% under the category of Female. Thus a majority of the respondents fall in the Male.

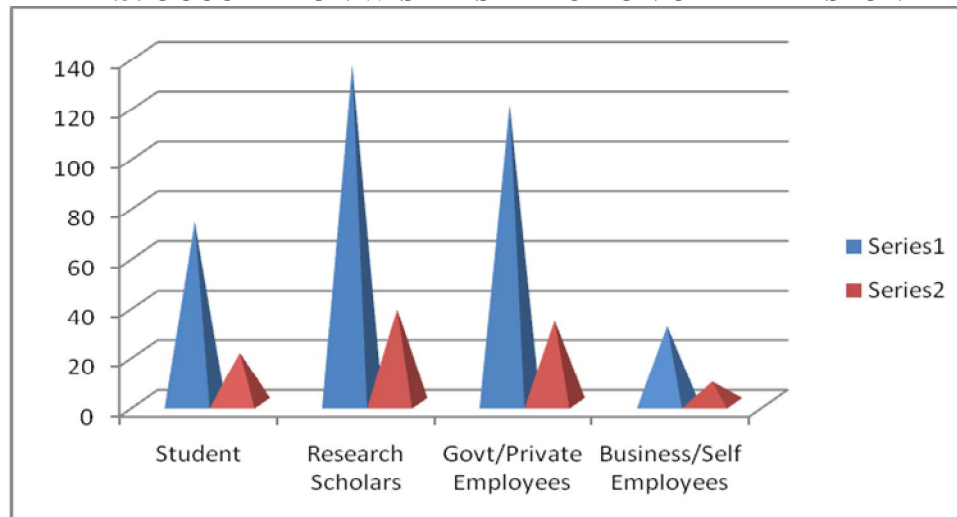
**CHART-4.2: GENDER WISE DISTRIBUTION OF THE RESPONDENTS**

**TABLE-4.3: OCCUPATION WISE DISTRIBUTION OF THE RESPONDENTS**

| Particulars             | Frequency | Percent |
|-------------------------|-----------|---------|
| Student                 | 73        | 20.3    |
| Research Scholars       | 136       | 37.8    |
| Govt/Private Employees  | 120       | 33.3    |
| Business/Self Employees | 31        | 8.6     |
| Total                   | 360       | 100     |

Source: Primary data

### Interpretation

The above table indicates that 37.8% of the respondents fall under the category of Research Scholars, 8.6% under the category of Business/Self Employees. Thus a majority of the respondents fall in the Research scholars.

**CHART-4.3: OCCUPATION WISE DISTRIBUTION OF THE RESPONDENTS****TABLE-4.4: ANOVA and Reliability Test on Factors Affecting Online Banking Acceptance**

| Factors                   | F-value | Significance | Hypothesis |
|---------------------------|---------|--------------|------------|
| Convenience               | 31.20   | 0.023*       | Rejected   |
| Accessibility             | 21.74   | 0.017*       | Rejected   |
| Feature availability      | 29.33   | 0.032*       | Rejected   |
| Bank management and image | 32.41   | 0.027*       | Rejected   |
| Fees and charges          | 23.58   | 0.038*       | Rejected   |
| Privacy                   | 29.68   | 0.001*       | Accepted   |
| Security                  | 25.39   | 0.001*       | Accepted   |
| Design                    | 39.27   | 0.066*       | Rejected   |
| Content                   | 23.72   | 0.042*       | Rejected   |
| Speed                     | 35.63   | 0.021*       | Rejected   |

Source: Primary Data

**Interpretation**

The above Table 4.1 shows that the One Way ANOVA of Convenience. The calculated F value is 31.20 and significance value is 0.023. The hypothesis is Rejected. The One Way ANOVA of Accessibility. The calculated F value is 21.74 and significance value is 0.017. The hypothesis is Rejected. The One Way ANOVA of Feature availability. The calculated F value is 29.33 and significance value is 0.032. The hypothesis is Rejected. The One Way ANOVA of Bank management and image. The calculated F value is 32.41 and significance value is 0.027. The hypothesis is Rejected. The One Way ANOVA of Fees and charges. The calculated F value is 23.58 and significance value is 0.038. The hypothesis is Rejected. The One Way ANOVA of Privacy. The calculated F value is 29.68 and significance value is 0.001. The hypothesis is Accepted. The One Way ANOVA of Security. The calculated F value is 25.39 and significance value is 0.001. The hypothesis is Accepted. The One Way ANOVA of Design. The calculated F value is 39.27 and significance value is 0.066. The hypothesis is Rejected. The One Way ANOVA of Content. The calculated F value is 23.72 and significance value is 0.042. The hypothesis is Rejected. The One Way ANOVA of Speed. The calculated F value is 35.63 and significance value is 0.021. The hypothesis is Rejected.

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## MARKETING SPORT TOURISM IN INDIA

S. Josephin Arulmozhi<sup>1</sup> and Dr. G. Vinayagamoorthi<sup>2</sup>Research Scholar<sup>1</sup> and Assistant Professor<sup>2</sup>, Department of Commerce, Alagappa University, Karaikudi**ABSTRACT**

*Promoting sport tourism industry requires sport and the host goal to be cross-utilized to advance the nature of encounters that the game traveller acquires. Diverse types of game the travel industry (spectating, partaking, adoring game locales) are hence potential supplements, and the nature of foundation and administrations at the goal give fundamental help to the general game the travel industry encounter. Chances to associate with travelers who share a game intrigue can likewise upgrade sport vacationers' involvement. Cross utilizing of diversion and objectives is empowered when vertical and even intrigues are formed among amusement and the movement business providers. Further research is relied upon to explore the social and mental universes of diversion vacationers, and to perceive convincing using systems.*

**INTRODUCTION**

Promoting is more than publicizing and moving. However usually to see sport the travel industry promoting, especially for occasions, portrayed just as far as the advertising interchanges and deals jobs. While these go under the rubric of the advancement component of advertising, the act of promoting includes significantly more. Advertising is basically about trades that make an incentive for clients. The objective and, along these lines, the reason for showcasing methodology is the buyer. To mirror this, instead of thinking about the shopper in a different area in this paper, the customer is considered all through our examination of the components of game the travel industry promoting. While looking at the job of promoting inside game the travel industry, it is vital to ponder who is incorporated as a game visitor. There has been some discussion about whether elite athletics individuals ought to be incorporated, and whether recreational relaxation exercises establish sport. Others have concentrated on dynamic members in game as opposed to observers of game. Gibson characterized sport the travel industry as 'relaxation based travel that takes people briefly outside of their home networks to partake in physical exercises, to watch physical exercises or to adore attractions related with physical exercises'. This definition will be utilized all through this article, and the discourses about showcasing to brandish voyagers will exhibit why this definition is an especially valuable one for looking at game the travel industry from an advertising point of view.

**REVIEW OF LITERATURE**

Most of the studies completed on the sport promotion and development has been conducted across the global. Sports can be developed and promoted through various activities engaging the sports reviews have shown sport tourism, league, marketing development etc. taken place for the development and promotion of sport.

A study on sport tourism was conducted in Taiwan which reported that event sport tourism (EST) has become an important economic sector around the world EST could also be used as an instrument of city development strategy. In India Smart cities concept is fast being developed which can use the Event Sport Tourism as of its blocks. (Huei-Wen Lin)

Sport studies are also being conducted by premium India Institution like IIMA. A study was conducted on Sports League which identified the constituents of the sport leagues being successful the study identified fan acceptability as a measure of success of leagues. (Kapoor, 2015)

It has been studied that the sport business industry has a direct influence on entrepreneurship, small, medium and micro enterprises as reported for the country of South Africa. (Mothilall, 2012)

Media coverage has also an upward trend with specific implication to host the sporting events which has been reported in studies making sport a consumer decision making model. (Getz & Fairley, 2004)

Sport history is analysed in one of the studies. A case of Oman was studied which showed that organised history of sport was not available and also commented that to make sport professionally organised will require various challenges to be overcome. (AL-Busafi, 2012)

Tourists' arrival also is impacted by mega-sports events as reported by one of the studies. Conducts of the sports events are provide lucrative opportunities for tourism. Study has reported that tourism flow toward host countries between 1995-2006 as reported of 200 countries had seen a positive influx of the tourists. (Santana-Gallego, 2011)

Involvement differences exist among gender characteristic and also reveal that individuals' involvement level more significantly impact to recall the sponsors. Study also said that marketer investing more on sponsorship – linked marketing in emerging economics. (Gupta, 2015)

Applying of sponsorship and brand management in global marketing significantly enhance achievement sport business goal and organizational performance in global sport industry. (Rajbhat, 2015)

Sports sponsorship grows hence sporting arena has approaches platform where sponsor become an intricate pillar in the sports industry of Singapore. (Wai) Sponsorship of Resources and financial support of many companies and stage events relied on event promoter and sport organization. (Zhang, 2015)

### **OBJECTIVE OF THE STUDY**

- To study the concept of sport market tourism
- To understand the sport tourist markets
- To Designing sport tourism experiences
- To study the place and prices for sport tourism

### **METHODOLOGY OF THE STUDY**

The study is based on secondary data, and it has been collected through various sources like Journals books and websites.

### **APPLYING THE MARKETING CONCEPT TO SPORT TOURISM**

The tourism industry is one of the fastest growing industries in the world. The demand of travelling is growing every year and new creative products to supply in this sector are increasing. It has involved into new directions within the tourist market. In the past, tourism was taken as a new development and only recently it has been considered as serious business or an academic field of study. The travel to a destination and the staying at the destination are the two key elements in tourism. A destination is the temporary and short-term activity which means that the visitors return to their own permanent destination within days, weeks, months or within a year. There are three ways to classify the visit as a tourist. The leisure and recreation category includes the holiday of cultural, sports and visiting relatives and friends. The business and professional category includes meetings, conferences, incentives and business tourism. The third category other purpose includes study and health activities. According to (World Tourism Organization 1992), subsequently ratified by the UN statistical Commission in 1994 defines that tourism comprises the activities of persons travelling to and for spending some days or nights out of the environment for less than a year in purpose of leisure, holiday, business or research or any other specific purpose. In the early 1980s, Matheson and Wall (1982, 1) indicated that tourism comprised of the Short-term movement of tourists to another destination out of the regular place of living, of work and home place. Actions that need to be taken while the spending the time in such a place are facilities created to cater for the need of the tourist. (Hudson 2003, 2-5; Middleton 2009, 4-5.)

The world tourism organization estimated (UNWTO, 2007) that there were 842 million international travelers in 2006 (this amounts was almost 12 percent of the world's population). Among all the travelers, adventure and nature travelling is one of the fastest and youngest sectors in tourism. It creates physical and mental excitement and efforts that involve some kind of risk, real or perceived, the expectation varies depending on level of experience which may be taken as an element of physical danger. However, some of these activities may comprise of the same travelers involved in more than one journey per year and hence the precise scale of tourism as an industry is in some doubt (Leiper, 1999). Tens of millions of people globally work directly in the industry and many more are employed indirectly (Hudson 2003, 4.) Travel and transport, accommodation and catering, leisure, recreation and entertainment, promoting and developing create most employment opportunities in the tourism field. Both the demand and supply side of the destination in tourism is clear. The demand side describes the destinations as the people travel and they choose accommodation where they want to stay in order to gain experiences. The supply sided of describes the destinations as the visitors know the geographical areas with their politics and government and approved for the tourism marketing and planning. The tourism products, place and the system of products always depend upon the tourism industry which effects its management.

### **UNDERSTANDING SPORT TOURIST MARKETS**

In Sports the travel industry showcase is seeing 10-12 percent development as Indians are indicating more excitement for visiting a nation to go to sports occasion, as per industry specialists. "Universally sports the travel industry is a multi-billion dollar industry. As indicated by appraisals, worldwide games the travel industry was worth USD 7 billion of every 2017. While it is a develop industry abroad, in India it is in early stages (arrange)," Cox and Kings Head, connections, Karan Anand told here.

The primary love for Indians is cricket and they travel to watch the diversion, regardless of whether in India or abroad, he included. "There has additionally been a move in the enthusiasm for other brandishing occasions like the Soccer World Cup or the Olympics. We see 10-12 percent development in landings to these goals, when a noteworthy brandishing occasion happens," he said. Indians travel to Australia, New Zealand, Sri Lanka and England to watch cricket matches, notwithstanding, in the course of the most recent 10 years there is a developing enthusiasm to watch the Olympics, the Soccer World Cup and Grand Prix Formula One engine occasions.

Throughout the years, Indians have investigated and appeared in other brandishing occasions, including football, tennis, Olympics, Commonwealth Games, Grand Prix Formula One engine occasions among others, he included. KAYAK Director, India and Middle East, Abhijit Mishra stated, the games the travel industry is developing at an uncommon rate, which is anticipated to shoot up to USD 5.72 trillion by 2021.

### **DESIGN OF SPORT TOURISM**

A holiday with friends or family to witness a mega sporting event is no longer an alien concept for Indian travellers. The number of travellers keen on a ring side seat to cheer for the 'men in blue' at the upcoming ICC Cricket World Cup 2011 in India, Sri Lanka and Bangladesh or their favorite team during T20 tournament or driver in a formula one race is rapidly growing. And these sporting enthusiasts are willing to spend 'top dollar' to jet set across the globe to experience the thrill of watching their favorite game live. These fans also like to 'live it up' exploring and enjoying the destination simultaneously.

Correspondingly, there has also been a marked rise in the number of tour operators and agents specializing in servicing the requirements of this particular segment. It's not only niche specialists, but also big mainstream tour operators who set up a separate division to tap the potential of Sports Tourism. An alien concept in India about a decade ago, Sports Tourism, though a niche segment has evolved rapidly over the past five years. A large number of agents and tour operators are introducing interesting packages surrounding major sporting events. Sports Tourism is a well organised sector and major revenue churner in several nations around the world like UK, Germany, Singapore, South Africa, Malaysia etc. Several National Tourist Offices (NTOs) are aggressively working towards promoting their destinations for Sport Tourism in India to tap the corporate, as well as fast growing upper middle class and the youth.

It was the ICC Cricket World Cup 2003, which kick started the trend in India and offered the kind of exposure which Indian spectators never witnessed. Another major event, the Indian Premier League (IPL) Twenty20, which commenced in 2008, proved to be a milestone in the Indian sports scenario. In the following year, IPL despite being shifted to South Africa played the pied piper, successfully attracting Indian and international spectators generating great volume of outbound traffic for Sports Tourism. Indians today travel abroad to watch a broad range of sporting events including cricket, soccer, tennis and Formula One.

While Sports Tourism in India is primarily outbound, there are small inroads also being made on the inbound and domestic front. Overall, according to industry experts, the segment is expected to have a growth rate of 10-20 per cent in the coming years.

### **PLACES AND PRICES FOR SPORT TOURISM**

The concept of people travelling to participate and watch sports dates back to the ancient Olympic Games and the practice of encouraging tourism through sport has existed for over a century. However, sport and tourism professionals alike are realizing the significant potential of sports tourism and are aggressively pursuing this market requirement. India has always been big in the tourism industry because of its extreme diversity. However, India's sports tourism is also carving a niche for itself in the Indian tourism industry, attracting many adventurers to grab flights to India.

Sports tourism in India is an absolute must for all the thrill and adventure seekers. The Historical and geographical diversities of India open up great avenues for adventure sports and activities. India is a huge country with an extremely varied topography. Be it skiing on the great Himalayan ranges, bicycling on the wobbly Indian roads or rafting on gushing rivers. India holidays offer a range of opportunities to its visitors to test out their sporting skills! Not surprisingly, cheap flights to India are increasingly becoming more popular among sports freaks.

### **SPORTS TOURISM IN INDIA**

While cricket is the main attraction for tourists from other countries, India falls far behind in other sports and their tourism. Thailand has developed into a major golf tourism destination in a span of 20 years. India needs to bring in tournaments and major players because the amount of money a golf lover spends on a holiday is much

more than other sports. A team of 20 American millionaires and golfers recently flew into Kolkata on a private jet to participate in the iconic Royal Calcutta Golf Club. So we can see that there's demand for such events, and if we can build golfing infrastructure in a place like Goa, which is on the international tourist map, we can generate income that runs into hundreds of millions.

### **ASPECTS OF SPORTS TOURISM**



Sports are an investment in the tourism industry, they Create economic growth through filled hotels, restaurants, and retail establishments. They attract high-yield visitors, especially repeaters. They Create exposure and enhances a positive image for your community. A new product is launched with a new tourism destination. It Builds community relationships and strengthens corporate support. An opportunity is created for the youth and a source of entertainment is launched. Favorable image for the destination is being generated with the development of new infrastructure. Media is being used to extend the normal communications reach.

### **GROWTH IN RECENT YEARS**

A holiday with friends or family to witness a mega sporting event is no longer a foreign concept for Indian travelers. Today, sporting enthusiasts in India are willing to spend to set across the world to experience the thrill and excitement of watching their favorite game live. Big mainstream tour operators who set up a separate division to tap the potential of Sports Tourism. An alien concept in India about a decade ago, Sports Tourism, has evolved rapidly over the past five years. A large number of agents and tour operators are introducing interesting packages surrounding major sporting events.

Sports the travel industry is seeing 10-12 percent development as Indians are indicating more eagerness for visiting a nation to go to the games occasion, as indicated by industry specialists. Internationally sports the travel industry is a multi-billion dollar industry. As per gauges, worldwide games the travel industry was worth USD 7 billion out of 2017. While it is a develop industry abroad, in India it is in early stages The principal love for Indians is cricket and they travel to watch the amusement, regardless of whether in India or abroad. There has additionally been a move in the enthusiasm for other wearing occasions like the FIFA World Cup or the Olympics.

### **FUTURE OF SPORTS TOURISM**

Scope and future of sports tourism are not going to end in India because of its diverse topography and climatic condition. You can enjoy on land and water, underwater and in the air whatsoever form of adventure sports in India. Future of sports tourism and adventure sports in India is very bright. Low-cost regional airlines (and more affordable long-haul flights) are also in demand for sporting events as flights become more convenient and more affordable. However, sport event organizers and state tourism boards in India should be ready to invest in other metro cities like Mumbai, Bengaluru, Hyderabad, and Kolkata. With booming interest among Indian sports enthusiasts to explore their interests in different sports fields, and various NTO's across the world encouraging tie-ups with Indian tour operators, there is sufficient fodder for India to emerge as a Sports Tourism destination and boost overall tourism in the country. It only needs to be utilized efficiently in order to gain significant benefits.

### **CONCLUSION**

Sports tourism can be a vital force for world peace and increasing understanding and interdependence. Throughout the world, sport tourism can contribute to the establishment of a new international economic order that will help to eliminate the widening economic gap between developed and developing sports tourism countries and insure the steady acceleration of economic and social development and progress in particular of the developing countries.



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## BITCOIN IN INDIA: A DEEP DOWN SUMMARY

**S. Josephin Arulmozhi<sup>1</sup>, K. Praveenkumar<sup>2</sup> and Dr. G. Vinayagamoorthi<sup>3</sup>**

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### ABSTRACT

*In this paper, we attempt to delineate the bitcoin in India a deep down scenario Bitcoin is a decentralized virtual cryptocurrency which provide a solution to the double spending problem without involving any trusted third-party intermediary. The rising craze for bitcoin has come back below the government's lens. The present paper aims to study the legal and economic aspects related to Bitcoins in India using secondary data for the study. The problem with Bitcoins is that not all the countries have legalized its use. The non-uniformity within the group action of bitcoin in several countries could be a major issue. Moreover the varied government has issued tax notices to the investors of the cryptocurrencies and has additionally warned its individuals to bear in mind whereas investments in digital currencies.*

*Keywords: Bitcoins, Cryptocurrency, Legal, Indian bitcoin*

### INTRODUCTION

Bitcoin is a cryptocurrency, a form of electronic cash. It is a decentralised digital currency while not a financial organization or single administrators that may be sent from user-to-user on the peer-to-peer bitcoin network while not the requirement for intermediaries. Transactions square measure verified by network nodes through cryptography and recorded in a very public distributed ledger known as a blockchain. Bitcoin was fabricated by Associate in nursing unknown person or cluster of individual exploitation the name Satoshi Nakamoto and free as ASCII text file software system in 2009. Bitcoins square measure created as a souvenir for a method called mining. They can be changed for alternative currencies, products, and services. Research made by the University of Cambridge estimates that in 2017, there have been two.9 to 5.8 million distinctive users employing a cryptocurrency notecase, most of them using bitcoin. In India bitcoin currency rate is 2,51,275.39 in 2019 January. Bitcoin has been criticized for its use in banned transactions, its high electricity consumption, price volatility, thefts from exchanges, and the possibility that bitcoin is an economic bubble. Bitcoin has additionally been used as Associate in nursing investment, although several regulatory agencies have issued investor alerts about bitcoin. Ten years ago one, the story of Bitcoin began with investors losing cash and firms movement down, partly due to central banks' failing monetary policies and government frameworks.

On October 31, 2008, amid the global economic slowdown, a developer or a group of developers pseudo-named Satoshi Nakamoto published a whitepaper named 'Bitcoin: A Peer-to-Peer Electronic Cash System'. The whitepaper delineated Associate in nursing alternate P2P cryptocurrency system that didn't would like any bank's interference or management, in essence, while making payments. Months when the whitepaper was free, on Gregorian calendar month three, 2009, Nakamoto started mining the first-ever Bitcoin block, popularly called as the Genesis Block or Block 0, which still has 50 unspendable Bitcoins in it.

The Block zero was strip-mined over a course of six days. Its price noting that Satoshi Nakamoto additionally left house of eighty characters within the Bitcoin blocks (Log storage). The idea was to allow users to simply leave comments while making a payment. Nakamoto, while creating the Block 0, left the message: This week marked Bitcoin's 10th anniversary and, despite hard times, the crypto community across the world is high on celebrations. Over the last decade, things have evolved and worked in favour of crypto to an extent. Today, we've got over one, cryptocurrencies (and more coming up) and many countries are now considering launching their own fiat cryptocurrencies. It doesn't matter whether or not Bitcoin is biting the dirt or doing well, but Nakamoto undoubtedly succeeded in his mission to provide an alternative currency to the world. In our fast-changing world, the management mantra has changed from 'the fittest is the survivor' to 'survivor is the fittest'.

Bitcoin, despite receiving meagrely support from authorities across the globe, has survived to tell the tale of cryptocurrency. Meanwhile, the underlying technology blockchain is being known as the most effective innovation since the net. Bitcoin Core developer Gavin Andresen World Health Organization worked with Nakamoto had aforesaid in 2011, "One of Bitcoin's major challenges is that the legal uncertainty close it." The statement still holds true.

### NEED OF THE STUDY

Bitcoin has to this point mostly been greeted with eye-rolling by skilled economists. One reason is that the crypto currency's most gung ho advocates tend to subscribe a hard-money, end-the-Fed worldview that's

unpopular among elites. That has caused the latter to reflexively take the alternative read, treating Bitcoin as primarily a financial policy experiment and predicting its doom.

### OBJECTIVE OF STUDY

- To study the Regulate Cryptocurrencies in India
- To analysis the BitTorrent to Launch Own Crypto 'BitTorrent'
- To study about Bitcoin in 2018
- To learn about the bit Coin Text Service to Transact Crypto over SMS

### STATEMENT OF THE PROBLEM

The government doesn't wish to require any substantial steps before the report is filed. We will cross-check the report then issue corrective measures when a radical understanding of matters. We will conjointly take the worldwide situation into thought. However, we've clearly explicit that managing virtual currencies is at one's own risk.

### REVIEW OF LITERATURE

The current literature investigated in the light of the present study could be categorized into three fundamental sections. In the first group, the studies oriented on the Value at Risk (VaR) from various aspects were investigated. The second group included studies concentrated on the Bitcoin subject. In the third group, the studies investigating the Bitcoin and VaR method together were included. In the relevant current literature, studies on VaR are mostly concentrated on a comparison of calculation methods and testing potential daily losses at various confidence levels. The first group VaR studies were presented in chronological order.

**Wang (2002)** strived to calculate the impact of liquidity risk through VaR estimations. In this study, it is determined by the VaR method that liquidity show losses at low amounts and conclude that Monte Carlo Simulation Method (MCSM) provides more accurate approaches to VaR estimations.

**Bozkus (2005)** compares VaR method and Expected Shortfall (ES) methods in this study. In this line, the author employed daily USD/EURO parity and BIST-100 index. The author found the ES method more practical because it does not have a tail risk and it is more consistent with respect to VaR method.

**Harmantzis, Miao and Chien (2006)** analyzed data sets comprised of daily return rates of S&P 500, DAX, CAC, Nikkei, TSE and FTSE indices against daily return rates of USD, Euro, JPY, GBP, and CAD. Obtained results suggest that ES models in VaR analyses yield more accurate risk estimations.

**Al Janabi (2006)**, by utilizing from VaR method, evaluates the risk management in the currency market on developing Moroccan economy. The author addressed that risk measurement in the Moroccan market could be implemented objectively and thus VaR could be employed in developing markets for accurate analyses.

**Gursakal (2007)** concludes in his VaR analysis study using Variance-Covariance Method (VCM) and Historical Simulation Method (HSM) on daily Euro sales rates and return rates of BIST-30 index that stock market is more risky investment choice with respect to foreign exchange and that the VaR value estimated for currency is lower against the one estimated for the stock market.

**Aktas (2008)** studies whether the security capital deposits of banks are close to the required amount by using VaR model on daily data from the 2004-2005 period. The VaR value of the portfolio comprised of Government Internal Bond and stocks was estimated by employing VCM. Study results show significant deviations from the assumptions of the Variance-Covariance Model because of high volatility. Accordingly, the utility of Variance Covariance model in the determination of the bank security deposit for balancing market risk in Turkey is found to be risky.

In the study of **Tas and Iltuzer (2008)** conducted in the same year of Aktas's study, Government Internal Bonds and BIST-30 index were used as data set. Authors estimated VaR values of their portfolio by using MCSM. Obtained results show that VaR values of 27,000 TL equally-weighted investments on BIST-30 index were 2,435.28 TL and 3,462.48 TL at 95% and 99% confidence levels, respectively. The VaR values of equally weighted portfolio investment size of 50,000.00 TL on Government Internal Bonds were 1,003.84 TL and 1,439.72 TL at 95% and 99% confidence levels, respectively. Authors concluded that risk associated with the Government Internal Bonds is lower with respect to the stock market.

**Uckun and Kandemir (2008)** employed VCM in order to calculate and compare the VaR values of two separate portfolios comprised of stocks from two different indexes for a one-year period (January 1st, December

31st). Five stocks with minimum standard deviation from the Computer Industry and Bank Industry Indexes were selected and the relevant portfolios were built for quarterly periods (January-March, April-June, July-September, and October-December). The study findings address that risk characteristics of mentioned indexes are in different characteristics.

**Demireli and Taner (2009)** conducted VaR estimations by employing Parametric VaR (PVar), HSM and MCSM on the portfolio comprised of equally weighted Euro, Gold, and USD for the 315-day period between 02.01.2008 and 01.04.2009. According to the obtained findings on the assumption that data were normally distributed, VaR values were estimated as 965.38 TL, 938.23 TL, and 547 TL by means of VCM, HSM, and MCSM, respectively. The authors conclude in line with the existing literature that MCSM is the most valid method for Turkish market with respect to others analyzed.

**Kayahan and Topal (2009)** calculate the amount of daily loss that could be faced by a company from the manufacturing industry with its foreign exchange portfolio through PVaR and HSM according to 95% and 99% confidence level. Authors conclude that PVaR and HSM are more significant and convenient methods for manufacturing companies.

Study of **Zikovic and Aktan (2009)** distinguishes the analysis before- and after-crisis periods. Estimations made based on the daily return rates of BIST (XU100) and Croatian Stock Market (CROBEX) indexes at confidence levels of 95%, 99%, and 99.5% are taken into consideration in VaR analysis. As a result of the study, BIST (XU100) and Croatian (CROBEX) indexes are found to be similar. Aziz and Ansari (2017) estimated VaR values for return rates of the portfolio built by the stocks traded in the Indian Stock Market for the period of 1999-2014. Findings of authors suggest that the portfolio built by instruments with high VaR variables yielded higher returns in comparison with the portfolios built by instruments with low VaR values.

**Gunay (2017)** employed PVaR, Historical VaR, HSM, and MCSM in his VaR analysis on a portfolio comprised of equally-weighted BIST-100 index, USD/TL, Euro/TL, Brent Crude Oil and Gold from the data set covering the period of 03.01.2005-15.06.2015.

In the study of **Cekici (2017)**, the risk level of making an investment on insurance company stocks traded in the stock market is estimated through VaR method based on the data set from the period of 01.04.2016-31.03.2017. To that end, the portfolio in the worth of 5,000 TL built by five different stocks invested in an equal amount of 1,000 TL is tested by using VCM. Study findings address that the maximum loss will be 1,694.47 TL at 99% confidence level and that it would be risky to make an investment on stocks of insurance companies because the estimated loss is rather high.

**Ugur and Bingol (2017)** conducted VaR analysis with VCM in order to estimate the highest possible loss of portfolios comprised of stocks from the BIST Manufacturing Industry for daily, 10-day and 21-day holding periods based on the data collected from the period of 2003-2016. From the subsectors of the manufacturing industry, different portfolios were built and the highest loss determined with the portfolio built with the stocks of the companies in sub-sector of chemical, oil, rubber and plastic manufacturing whereas the lowest loss was determined with a portfolio based on the sub-sector in the manufacturing business of earth and rock.

## REGULATE CRYPTOCURRENCIES IN INDIA

Responding to a matter on cryptocurrency raised by parliamentarians Feroze Varun Gandhi and Arvind Sawant, minister of state for finance Poonam Solon, on December twenty eight, 2018, privy the Lok Sabha that within the absence of a globally acceptable answer and also the have to be compelled to devise a technically possible answer, the finance ministry is following the matter with due caution. It is difficult to state a specific timeline to come up with clear recommendations. Informed that the Centre has constituted an inter-ministerial committee (IMC) under the chairmanship of the secretary of the department of economic affairs comprising representatives of involved departments, to review all the aspects of cryptocurrencies and crypto-assets, including Bitcoin. The committee, that has illustration from MeitY, the RBI, SEBI, and the CBDT, is working on developing a framework for regulating cryptocurrencies. However, as of today, no decision on licensing and authorising any entity or company to operate such schemes or deals with Bitcoin or any cryptocurrency has been made. It's not the primary time that the cryptocurrency issue was raised within the Lok Sabha. Questions regarding cryptocurrency's position within the country are raised fourfold before. The first time was on December eighteen, 2015, within the absence any sincere legal development; since then it had been raised by totally different parliamentarians on August four, 2017, December 15, 2017, and July 27, 2018.

## THE BITTORRENT TO LAUNCH OWN CRYPTO 'BITTORRENT'

San Francisco-based BitTorrent, that manages BitTorrent P2P protocol for file transfer and caters to over 250 Mn users worldwide, has announced plans to launch a cryptocurrency named BitTorrent (BTT). The

cryptocurrency are issued by its Singapore-based BitTorrent Foundation and can change users to exchange tokens to enhance network speed. By providing users with the ability to use BTT tokens for faster download, the company aims to accelerate the overall speed of torrents. "BitTorrent token is that the initial in an exceedingly series of steps to support a decentralized net," aforesaid Justin Sun, founding father of TRON and CEO of BitTorrent. "In one big leap, the BitTorrent consumer will introduce blockchain to many many users round the world and empower a brand new generation of content creators with the tools to distribute their content on to others on the net," he any additional.

BitTorrent, that options native TRC-10 compatibility, will be exclusively available to non-US accounts on Binance Launchpad, the token sale platform by leading cryptocurrency exchange Binance. Bitcoin In 2018 despite the 'bubble-bust', Bitcoin continuing to take care of its packaging in 2018 in addition. While African nation, Ghana, Holland, Slovenia and Nigeria were the top five countries that generated the most interest in Bitcoin, its reddit group /r/bitcoin saw 61% growth, adding 380K more members this year. Satoshi (.info) creator Jameson Lopp has revealed some attention-grabbing figures you may need to ascertain out. Coin Text Service to interact Crypto Over SMS US-based Fitch Company and crypto case service supplier Coin Text (.io) has launched Bitcoin Cash transaction facilities via SMS. The service is currently launched in the Philippines. Coin Text founder and CTO Vin Armani aforesaid, "The ability to send value over SMS is tailor-made for The Philippines. Remittances square measure huge an enormous a giant} a part of the economy and Filipinos square measure already big adopters of cryptocurrency, especially Bitcoin Cash." Remittances account for around 10% of Philippine's GDP (\$30 Bn), and smartphone penetration is about 40% while credit card penetration is only 5%, according to Coin Desk. This situation makes the Philippines a perfect country for cryptocurrency payments over SMS as a result of Coin Text additionally works on basic feature phones.

In the end, 70-80% of South Korean cryptocurrency mines square measure reportedly stop working because the mining value exceeds the Bitcoin's existing worth. And, this can be not associate degree isolated situation however a trend the planet over. A.Gary Shilling, associate degree Yankee {financial associate degree last securities analyst} and an capitalist and president of A. Gary Shilling & Co, Inc commented, "It's a black box and I'm not a believer in black boxes."

#### **SOME FACTS REGARDING BITCOIN**

1. Bitcoin possesses the same characteristics as money: durability, portability. Acceptability,
2. Limited supply, divisibility, and uniformity.
3. There is no commonly accepted physical coin that represents Bitcoin.
4. Bitcoins can be converted to other currencies.
5. No one person controls Bitcoin it exists on a Blockchain. 5. Bitcoins are kept in software wallets.
6. The maximum amount of Bitcoins will be 21 million.
7. Bitcoin is a digital currency that exists outside the banking infrastructure.
8. Bitcoin was created by people not a government.
9. Bitcoins are divisible for payments in decimals.
10. Several merchants are already accepting Bitcoin as digital payment.
11. Bitcoin is illegal in over seven countries.
12. Bitcoin was invented by the anonymous Satoshi Nakamoto in a white paper and released in 2009.
13. Capital gains in Bitcoin are a taxable event.
14. "Miners" solve complex math problems and create Bitcoins.
15. Bitcoin is a trading vehicle that benefit from capital gains
16. Bitcoin is very volatile as a store of value and a trading vehicle.
17. Bitcoin is only one of hundreds of crypto currencies.
18. Bitcoin is a speculation not an investment.
19. Bitcoin is the most popular and the first mover in the Blockchain/Crypto Currency space.
20. Bitcoin has had one of the greatest appreciations on a percentage basis of anything in
21. Financial history except the Tulip Mania in Holland.

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**CONCLUSION**

In terms of creation, Bitcoins are definitely one of the greatest innovations of man. With the number of recognition that it enjoys, it may not be possible for the government to completely ban Bitcoins. Most banks of late try to use the blockchain technology and since the govt. has not licensed Bitcoins, it has decided to introduce its own cryptocurrency named "Lakshmi". This data was unconcealed by RBI's govt chairman Sudarshan fractional monetary unit UN agency additionally mentioned that the committee that projected this idea is in its method of analysis. Therefore, whether or not bitcoin or not, a significant a part of transactions within the future can happen through the employment of cryptocurrencies.

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**ABSTRACT**

*Social Media is now the trend in modern world. And for businesses it represents a marketing opportunity that precedes the traditional middleman and connects companies directly with customers. Now it's here to stay and companies are adopting social media marketing. Much like email and websites are useful first promoting businesses, social media is the next marketing way. Social media marketing is marketing using online communities, social networks and other new business in our society ways are promoting. Some popular social media sites are: Facebook, YouTube, Twitter, Digg, MySpace, Stumble Upon, Delicious, Scribd, Flickr etc. social media refers to communication/publication platforms are useful to promote business which are generated and sustained by the interpersonal interaction of individuals through the special community. Social Media is the democratization of information, transforming people from content readers into content publishers to attract customers. To earn more profit in business.*

*Keywords: Social Media Marketing, Merits and Demerits*

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**INTRODUCTION**

Business plays an important role in our society is to attract customers. Basically, it is a management process through which products and services move towards customer. It includes identification of a product and promoting satisfaction of the customers, determining demand of the product, deciding on its price, and selecting distribution channels of the product. Social media marketing allows you to engage with your audience and reach more people outside of your audience on a regular basis. You can execute advertising campaigns like boosting a post or offer on Facebook or promoting a tweet on Twitter. This will put your post in the eyes of thousands of people based on the criteria social media market set whether it be by location or a certain demographic.

Social media is a really convenient and important communication network for all the people nowadays. We can use it to know friends and keep contact with friends that came from different countries. Social media is engaging with consumers through online. Social media is all about networking and networking in a way that exposes trust among parties and other communities involved.

Social media is defined as "a group of internet-based applications that build on the ideological and technical foundations of Web 2.0, and that allow the creation and exchange of user generated content" (Kaplan and Haenlein, 2010, p. 61). The characteristics of social media, according to Kaplan and Haenlein, 2010 are as follows; social media is user based. Without users social networks would be an empty space filled with empty forums, applications. Users populate the network with conversations and content. The direction of that content is determined by **anyone** who takes part in the discussion. This is what makes social networks so much more exciting and dynamic for Internet users.

Keywords: social media, social media marketing, growth and benefits of social media, social media marketing strategy, social media marketing trends.

Some popular social media sites are: Facebook, YouTube, Twitter, Digg, MySpace, Stumble Upon, Delicious, Scribd, Flickr etc. social media refers to communication/publication platforms are useful to promote business which are generated and sustained by the interpersonal interaction of individuals through the special community. Social Media is the democratization of information, transforming people from content readers into content publishers to attract customers. To earn more profit in business

**MERITS OF SOCIAL MEDIA MARKETING**

- **Increased brand awareness**

Given in the current world almost every person owns a Smartphone, desktop or a laptop, and they spend a lot of time in social media sites, implementing social media marketing strategy greatly improves product recognition since you will be interacting with a broad audience. To get started one can request employees, friends to like and share your post or page. Getting people to interact with your product creates awareness among the public, hence they may end up being potential customers.

- **Better customer satisfaction**

It is the human nature to attract attention. Establishing social media marketing allows one to respond to specific customer at a time. Customers do really appreciate when they know they will get personalized response when they post comments on your page rather than get automated message response. It shows that you are attentive and caring. This puts you as a marketer at an advantage position since more customers will be attracted.

- **Cost effective**

Social media marketing is possibly the most cost effective mode of advertising any product. Creating a new profile and signing in is free for almost every social media. Those that usually charge, the amount is minute compared to the overall returns. Saving on advertisement expenses ensure greater returns and investments.

- **Increased inbound traffic**

Introducing social media marketing platform increases inbound traffic, that is, people are able to find your product with ease. Without it, people will go searching your product by name or website address. This is very limiting especially to persons who have yet to discover your brand.

- **Gain market insight**

For any business to succeed, the owner must know the customers need, opinions and interests. There is no better method to collect such data apart from social media platforms. Gaining this information gives you an opportunity to know areas which you can improve in order to get ahead of competitors and improve turnouts.

### **DEMERITS OF SOCIAL MEDIA MARKETING**

- **Exposure to competitors**

Social media marketing enables you to study your competitors strategy to attract customers. They can still study your business tricks and methods through your social media platform. This enables your business at the risk of being outdone.

- **Needs qualified personnel**

In order to focus on business issues, you will have to employ a qualified personnel to manage your accounts related with business and have the traffic under control..

- **Slow returns on investments**

Social media marketing is big term investment and one cannot expect returns in an overnight. For competitors getting quick results, implementing old methods like word of mouth would be appropriate.

- **Tarnish brand name**

In the event that false information finds its way onto social media platform, the public will have the chance to express their dissatisfaction in terms of product. This will tarnish your product name and deter potential interest of customers. Establishing customers relationships and doing business is difficult with the brand.

- **Time consuming**

People may deliberately ignore your page because they may be interested in other sites seeing some attractive brands. To get them to appreciate and share your posts may take too much time..

### **CONCLUSION**

Social media platforms has been continuously tremendous changes in our society Social media marketing as has transformed the traditional marketing with its sustainable and cost friendly approaches social media marketing is very useful to promote product to earn more profit in business.

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## INDIA'S TRADE AND ECONOMIC ACTIVITIES OF AGRICULTURAL PRODUCTS TO BRAZIL

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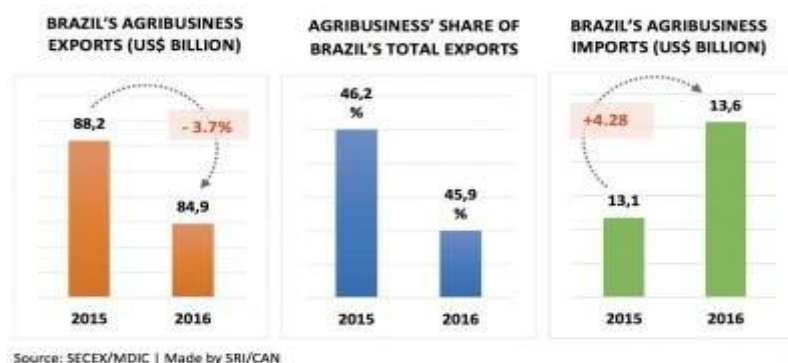
## ABSTRACT

*In this paper Economic activities are related to production, distribution, exchange and consumption of goods and services regional inequalities are large in India and Brazil and represent a development challenge. This paper aims to determine whether regional inequalities are linked to a country's trade openness. An annual indicator of regional inequalities is constructed for India for the period 2013-2018 and for Brazil 2013-2018. In both nations, inflows of foreign direct investment are found to increase regional inequalities. This study deliberate Agro-food exports between the BRICS, particularly Brazil and China, have increased. The Russian Federation has qualified stagnating and volatile patterns. Brazil and India have strengthened market shares in the existing importing market, while the Russian Federation has experienced severe deterioration. The export of existing goods is more important than of new products. Agro-food transfers are positively associated with IQ and the size of the gross domestic product in exporting and importing nations, but negatively with distance.*

*Keywords: BRICS, agro export, Indian agro market, Brazil.*

## INTRODUCTION

Recently, Brazil began a process of financial stabilization in the face of the strong recession that began in 2014. The agricultural subdivision was not immune to the effects of this crisis. However, the sector has shown strength. Brazilian agriculturalists continue to do their homework, capitalizing in technology and meeting high quality and sustainability standards. For this reason, even in a period of economic and political difficulties, Brazil emerges as an agricultural capital and a major accountable for feeding the world population.



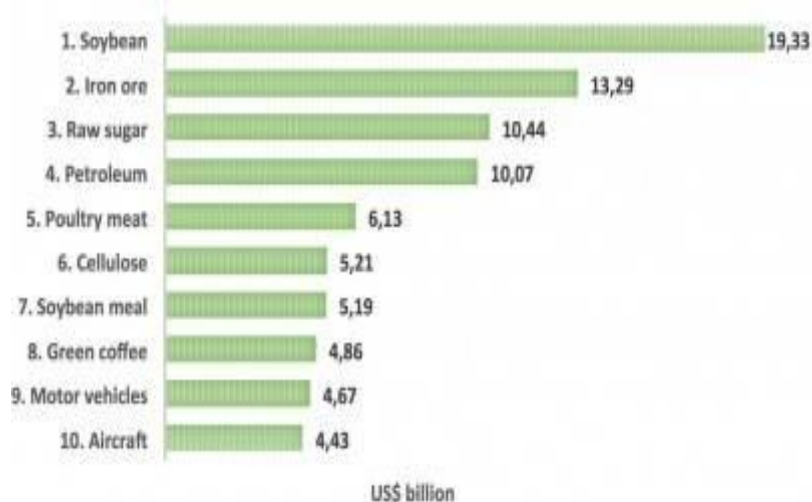
## AN AGRICULTURAL OUTLOOK

Agriculture is the most vibrant subdivision of the Brazilian economy, making a significant contribution to the country's trade balance. In 2016, its goods represented 45.9% of Brazil's total exports. Agricultural exports amounted to US\$ 84.9 billion, a 3.7% drop when matched to the US\$ 88.2 billion traded the year before. Imports reached US\$ 13.6 billion. That way, Brazil's agribusiness enjoyed a trade surplus of US\$ 71.3 billion. Despite the constructive balance, Brazil's overall profession flow has decreased 11% when compared to 2015.

From January to April 2017, though, Brazil already sold US\$ 29.19 billion in agricultural products to the world, a 3.8% increase from the US\$ 28.11 billion exported in the same period of 2016. Imports grew by 21%, working from US\$ 4.0 billion in 2016 to US\$ 4.84 billion this year. Therefore, Brazil's 2017 cumulative profession balance is a US\$ 24.34 billion surplus. The economic challenges currently faced, combined with weather problems that heavily affected the harvest and the instability of the Brazilian currency helped to delineate these profession results. Nevertheless, Brazil's agricultural possessions remain highly competitive in foreign markets. The opening of new and promising markets for Brazilian agricultural goods is a proof of that. These factors have leveraged the overall share of the agricultural division in the economy.

Agriculture, food and interrelated industries contributed nearly US\$ 448.5 billion (R\$ 1.48 trillion) to Brazil's gross domestic product (GDP) in 2016. The share of this division in the country's total GDP has improved continuously over the past few years, going from 20.5% in 2012 to 23.6% in 2016. By delving into this figure and dividing it between agriculture and livestock, one can see the contribution made by both segment separately. Agriculture, alone, was responsible for 69.5% of agribusiness' GDP, whereas livestock goings-on made up 30.5%.





According to the Brazilian Ministry of Industry, Foreign Trade and Services (MDIC), in 2016, six out of Brazil's top ten exports were produced within a farm. Soybean continues to lead the list, with US\$ 19.33 billion in sales. That is, this product alone represented over 10% of Brazil's total international sales. Nonetheless, in the period, there was a 5% fall in the volume exported, mainly due to a decrease in sales to China (- US\$ 1.4 billion), Spain (- US\$ 311 million) and Egypt (- US\$ 196 million).

The sugar sector is one of the highlights of 2016. Sugar values saw an expressive increase in 2016 due to a deficit in world manufacture. Thailand, Australia and India had their harvest severely affected by droughts. This inspired the recovery of Brazilian sugar and ethanol sectors, which recently qualified one of the worst crisis in its history. Raw sugar had US\$ 10.44 billion in foreign sales, 37% additional than in 2015. Asian countries imported 51% more, particularly Indonesia (+ US\$ 468 million), India (+ US\$ 426 million) and Malaysia (+ US\$ 190 million).

The poultry meat sector came in third residence, with exports of US\$ 6.13 billion. Saudi Arabia, the main importer of Brazilian chicken meat, bought quantities well lower those of 2015. However, countries such as China, Hong Kong and Egypt imported significantly other, balancing out the sectors' export revenue. Sales have also grown to Mexico, the maximum recently opened shop for this product from Brazil. Brazil's chicken meat accesses around 150 countries.

Additional important exports were cellulose (US\$ 5.21 billion), soybean meal (US\$ 5.19 billion) and green coffee (US\$ 4.86 billion). In 2016, the ten important destinations for Brazil's agribusiness distributes accounted for 64% of the sector's exports. And just as soybeans – as the country's foremost export – may not surprise those who constantly follow Brazil's trade balance, China – as the main buyer – does not either. The division's shipments to China amounted to US\$ 9.4 billion in the first four months of 2017, 25.2% more than in the same historical of 2016. Soybeans accounted for 79% of these sales, or US\$ 7.44 billion.

### TO BRAZIL

- Potential agriculture substances of India's export to Brazil. The agricultural and allied importations from that country were of the order of US \$ 1291.19 million. India's principal imports were cane sugar, soybean crude oil, cow peas, ethylic alcohol and extra sprits etc.
- Brazil imports the following agricultural items from the other states of the world which India has the potential to export.
  1. Onion, grapes,
  2. wheat and meslin maize, rice
  3. Wheat bean, sesamum seed, plants.
  4. Castor oil.
- For these items, India's global exports and Brazil's global imports were additional than US\$ 5 million in 2015. However, Brazil imports of these items from India were either Nil or insignificant through every year.
- Brazil may explore the possibility of sourcing these agricultural substances from India. SPS and additional requirements in respect of these agricultural items may be sought from Brazil.

**REVIEWS OF LITERATURE**

**Dioneia Dalcin (2014)** The results deliver evidence that the organic food shop in Brazil was initially based on common ideology and a movement that was opposed to conventional farming; however, since 1980, the supply and demand patterns have different. The commercialization of organic goods since the turn of the decade has expanded beyond ideological motivation and into the Brazilian agribusiness division. The main reasons for this expansion are changes in preferences by the Brazilian consumer, a substantial figure of whom have become other concerned with the nutritional value and quality of the food they eat. This study also demonstrates that in Brazil, as well as in extra countries, organic products have become a market trend.

**Leandro Pereira Morais (2017)** The study helped us understand the realities of SSE in both countries. The importance of SSE can be observed as a means to deal with poverty and the need to generate income for portions of the population, in spite of the historic, cultural, political, economic and social differences. The Indian experience contributes to the theme of the insertion of women in the mechanisms of generation of work positions and income opportunities, whereas the Brazilian experience contributes to the topic of social cooperatives.

**OBJECTIVES OF THE STUDY**

- To analyze the export performance of agricultural products to BRAZIL
- To analyze the opportunities towards agricultural products export to brazil

**RESEARCH METHODOLOGY**

The study is based on secondary sources have been collected through books, published reports, journal, articles and the internet. The secondary sources are planned to be collected through Agricultural Export Processed Development Authority (APEDA).

**DATA ANALYSIS AND INTERPRETATION****TABLE-1: EXPORT PERFORMANCE OF THE AGRICULTURAL PRODUCTS OF BRAZIL**

| Year      | Quantity<br>(Rs. In Crore) | Trend      | Value  | Gr%   |
|-----------|----------------------------|------------|--------|-------|
| 2013-2014 | 6,640.73                   | -11542.698 | 121.96 | -     |
| 2014-2015 | 7,629.50                   | -1537.048  | 104.5  | 14.31 |
| 2015-2016 | 7,749.21                   | 8468.602   | 95.00  | 9.09  |
| 2016-2017 | 9,730.53                   | 18474.252  | 110.44 | 16.25 |
| 2017-2018 | 10,593.04                  | 28479.902  | 95.64  | 13.40 |

Source: Computed from DGCIS

Table-1 It speaks of the quantities of export agricultural products to Brazil which differs from year to year. The largest quantity of export is 10593.04 (2017-18) and the lowest quantity of export is 6640.73(2013 -14). The product exported to Brazil went down during 2015-16 and thereafter the quantity of agricultural product export has been increased till 2018.

The growth rates have usually gone up and down during the years 2013-2018. In the year 2016-17 the growth value increased (16.25%) and in 2016 it went very low (9.09 percent).

**TABLE-1.1: TREND ANALYSIS FOR FUTURE EXPORT QUANTITY IN BRIZIL**

| YEAR      | TREND QUANTITY |
|-----------|----------------|
| 2018-2019 | 38485.552      |
| 2019-2020 | 48491.202      |
| 2020-2021 | 58496.856      |

Source: computed from DGCIS

The above table shows the report of export analysis from the Brazil. If it continues without any change the trend values will regularly increase as 38485.552, 48491.202 and 58496.856 in the years 2019, 2020 and 2021. Thus the may be increases in the future years.

**DATA ANALYSIS AND INTERPRETATION****TABLE-1: IMPORT PERFORMANCE OF THE AGRICULTURAL PRODUCTS OF BRAZIL**

| Year      | Quantity<br>(Rs. In Crore) | Trend     | Value  | Gr%    |
|-----------|----------------------------|-----------|--------|--------|
| 2013-2014 | 34308.05                   | 26984.074 | 188.89 | -      |
| 2014-2015 | 33941.65                   | 49568.613 | 156.39 | 56.39  |
| 2015-2016 | 156916.54                  | 72153.152 | 635.04 | 535.04 |
| 2016-2017 | 71331.50                   | 94737.691 | 301.76 | 201.76 |
| 2017-2018 | 64267.91                   | 117332.23 | 307.93 | 207.93 |

Source: Computed from DGCIS

Table-1 It speaks of the quantities of import agricultural products to Brazil which differs from year to year. The largest quantity of import is 156916.54(2015-16) and the lowest quantity of import is 33941.65(2014 -15). The product imported to Brazil went down during 2014-15 and thereafter the quantity of agricultural product import has been increased till 2018.

The growth rates have usually gone up and down during the years 2013-2018. In the year 2015-16 the growth value increased (535.04%) and in 2016 it went very low (56.39percent).

**TABLE-1.1: TREND ANALYSIS FOR FUTURE IMPORT QUANTITY IN BRIZIL**

| YEAR      | TREND QUANTITY |
|-----------|----------------|
| 2018-2019 | 139906.769     |
| 2019-2020 | 162491.308     |
| 2020-2021 | 185075.847     |

Source: computed from DGCIS

The above table shows the report of import analysis from the Brazil. If it continues without any change the trend values will regularly increase as 139906.769, 162491.308 and 162491.308 in the years 2019, 2020 and 2021. Thus the may be increases in the future years.

**SUGGESTIONS**

- To government set of district level agricultural export hub for increasing the exports of agricultural products.
- India wants to making policy level decisions for trading with Brazil

**CONCLUSION**

India is one of the developing from BRICS countries. It has achieved very pre-dominant export products. Export and import are helpful in increasing its foreign exchange value. India can make a strong and healthy relationship with other BRICS countries through export and import of its products. India has to find out new innovative products and export them to different countries in the world to become a renowned and prosperous nation in future.

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**BUYING DECISION PROCESS (WITH SPECIAL REFERENCE TO COSMETICS)**

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**ABSTRACT**

*The purpose of this study is to investigate the consumer buying decision process cosmetics. This study also examines demographic influences on FMCG. The international cosmetics market is segmented based on type of cosmetics, mode of sale, gender and characteristics. The group segment includes skin & sun care products, hair care products, deodorants, makeup & colour cosmetics and fragrances. Among these products, skin & sun care, and hair care products are majorly used by individuals and hold large amount of percentage share in global cosmetic products category market. The main objectives of the study to study the buyer decision process in purchase of FMCGs (with special reference to cosmetics). The sample respondents of 120 FMCG product users have been selected under the non-probability convenience sampling method. The collected data were analysing by using descriptive statistics, regression and Anova. The concluded of the study cosmetic is a preparation exceedingly applied to change or improve the beauty of skin, hair, nails, lips and eyes. Every exposable part of the human formation is subject to cosmetic attraction.*

*Keywords: Consumer buying process, Consumer preferences, Consumer satisfaction, purchase process.*

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**INTRODUCTION**

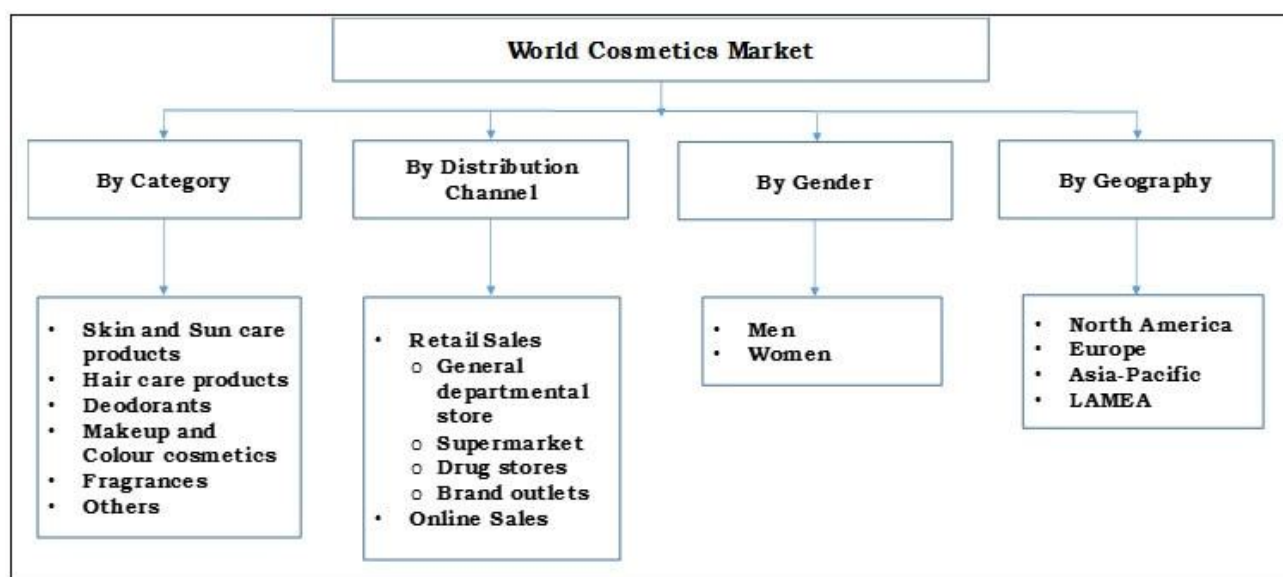
India is one of the fastest rising cosmetics market. The Indian cosmetics market was value USD 9.94 billion in 2015 and is expected to reach USD 16.27 billion by 2021 at a CAGR of 10.36%. As of 2015, the Indian market boasts of a GDP rate of 7.50%. This environment makes spend on and enlargement of cosmetics products easier. An increasing urban inhabitants and the inclination to look respectable manifesting through the demand for whitening products by both men and women is driving growth in this market.

Worldwide cosmetics market is expected to garner \$429.8 billion by 2022, registering a CAGR of 4.3% during the forecast period 2016-2022. Cosmetics Market (makeup or beauty products) are combination of chemical generally used to enhance the appearance or human body. Sun care, skin care, hair care, deodorants, makeup and colour cosmetics, and fragrance are some of the cosmetics products that are mainly available and used by individuals. Retail stores including supermarkets, department store, exclusive brand outlets, and specialty stores amongst others are the major supply channels, with online channels gaining popularity among consumers.

There is a considerable rise in disposable incomes over the past decade. The growth in global economy, changing lifestyle, rising demands of skin and sun care goods due to varying climatic conditions encourage the growth of the promote for cosmetics. The preference towards natural and organic beauty products, particularly in U.S. and European countries, foster the expansion of the cosmetics market.

**SEGMENT OVERVIEW**

The international cosmetics market is segmented based on type of cosmetics, mode of sale, gender and characteristics. The group segment includes skin & sun care products, hair care products, deodorants, makeup & colour cosmetics and fragrances. Among these products, skin & sun care, and hair care products are majorly used by individuals and hold large amount of percentage share in global cosmetic products category market. The type of sale comprises retail and online sale, where retail mode of sale is further classify into general departmental store, supermarkets, drug stores and brand outlets. The consumers for buying cosmetic products majorly prefer the retail mode of sale. The online medium for the purchase of cosmetic product is observed as a rising trend among consumers. In nature, the global cosmetics market is bifurcated into North America, Europe, Asia-Pacific and LAMEA.



Sources: [www.alliedmarketresearch.com](http://www.alliedmarketresearch.com)

## REVIEW OF LITERATURE

E. Ratnam (2015)<sup>1</sup> in his study consumer buying behaviour of cosmetic product in Jaffna District was analyzed through the conceptualization by using the concepts of 4Ps includes product, price, place and promotion, and also outside stimuli of cultural, social, personal and psychological factor. The study was selected from users of cosmetic products to analyze the consumer buying behaviour of cosmetic products. The study identifies the marketing mix status of the cosmetic product and External Stimuli of the product in Jaffna District. The study on consumer buying behaviour tends to expose the status of the cosmetic users characteristics and marketing present condition. The concluded of the study would also be given the awareness to cosmetic users and marketers to guide them in their future activities. Anjana S S (2018)<sup>2</sup> in her study mainly focused to understand the buying pattern of consumers for cosmetic products. Through this study an attempt was conducted to identify the different factors that impact and influences the customers for buying a product. The study reveals that a variety of factors like quality, brand, price, advertisement and packaging have tremendous influences on consumer purchasing behaviour. The findings of the study help to contribute an extra idea and knowledge to cosmetic companies so that they get to know more about the purchasing behaviour of consumers. Alexander Oduro Adofo (2014)<sup>3</sup> reported of the study “first impressions remain forever in the mind” is also appropriate when it comes to buying decision making. The package of manufactured goods has a high tendency of attracting a first time buyer of a beauty product who has no prior contact of the product. In the same way, it can also turn away the first buyer too. The packaging actually serves many purposes, ranging from product protection to attracting consumer attention. It is the selling tool that should endorse and sell the product by catching consumers attention, defining the product’s identity, providing information, ensuring safe use and protecting the product. This study therefore seek to find out how much the package of a beauty product goes into the decision making process of the consumer. The findings made in the study were that, females have the highest percentage when it comes to beauty product usage, whiles users of beauty product mostly prefer a rubber containers, consumers consider the package of a beauty product before they make a purchase, and the level of influence packaging have on the consumers’ buying decision was high. The study found that recommended at the end of the research that manufacturers and retailers must not under play the role that packaging plays in bringing consumers to a particular product. Dr. S.Anandarajan & T.Sivagami (2016)<sup>4</sup> in their study personal care sector

<sup>1</sup> E.Ratnam. (2015). A Study on Consumer buying behaviour of Cosmetic Product in. *International Journal of Emerging Trends in Science and Technology* , 1885-1893.

<sup>2</sup> S, A. S. (2018). A study on factors influencing cosmetic buying. *International Journal of Pure and Applied Mathematics* , 453-459.

<sup>3</sup> Adofo, A. O. (2014). The effect of beauty product packaging on consumer buying. *The Business & Management Review* , 14-21.

<sup>4</sup> Dr. S.Anandarajan, T. (2016). Consumer Purchase Decision Behaviour Towards Cosmetics Marketing. *Asia Pacific Journal of Research* , 144-149.

is an essential part of the nation's economy with its huge potential. The personal care production is one of the largest consumer sectors in the country. The purchase power and disposable incomes of the Indian consumer have significantly improved and it has fashioned a niche for leading organizations in this segment in the last decade, resulting in phenomenal growth in this sector. The consumers experience that there were chemicals in cosmetics, which cause many side effects, and started switching over to ayurvedic based cosmetics. The study found that most of the respondents are aware about the cosmetic products. The people now are not considering the cosmetics as extra. Most of the consumers feel that there were chemical in cosmetics, which cause many side effects, and started switching over to ayurvedic based cosmetics. The cosmetic developed company after realize the need of the customers started ayurvedic based cosmetics. This study enabled the manufactures to know the need and preference of the customers, which can be implement by the manufactures to improve their products. Amber Yamin Khan, Emadul Karim et.al (2016)<sup>1</sup> in their study was to determine various factors such as age, occupation, income, models and celebrity influence, as well as the role of metro sexual (independent variables), which have an effect on consumers in buying men's cosmetic products (dependent variable). The study was suggested factors which affect the buying behavior of men purchase male cosmetic products. The study pertained to a lack of knowledge on how much of these factors individually affect consumer behavior with regards to purchases. The study was significant and therefore needed to be carried out to observe the impact of various factors on the buying of men's cosmetic products. The concluded of the study age, occupation, and role of metro sexual has had a significant impact on the consumer's buying behavior in relation to the purchase of men's cosmetics especially in Karachi.

### OBJECTIVES OF THE STUDY

- To study the buyer decision process in purchase of FMCGs (with special reference to cosmetics)

### METHODOLOGY

The present study is both descriptive and analytical in nature, mainly based on consumer decision about FMCGs. This study carried out the observation and survey questioning methods which are attributes of descriptive research. The sampling technique involved in convenient sampling. Due to time constraint convenient sample was followed. Sample size is 120 respondents.

### RESULTS AND INTERPRETATION

**Table-1: Analysis of Demographic Variables of the Respondents**

| S. No | Characteristic            | Distribution           | Frequency | Percentage |
|-------|---------------------------|------------------------|-----------|------------|
| 1     | Gender                    | Male                   | 37        | 30.8%      |
|       |                           | Female                 | 83        | 69.2%      |
| 2     | Age                       | Below 20 years         | 19        | 15.8%      |
|       |                           | 21-30 years            | 38        | 31.7%      |
|       |                           | 31-40 years            | 34        | 28.3%      |
|       |                           | Above 40 years         | 29        | 24.2%      |
| 3     | Educational qualification | School Level           | 11        | 9.2%       |
|       |                           | Graduation             | 45        | 37.5%      |
|       |                           | PG                     | 37        | 30.8%      |
|       |                           | Professional           | 27        | 22.5%      |
| 4     | Occupation                | Student                | 13        | 10.8%      |
|       |                           | Self employed          | 36        | 30%        |
|       |                           | Private employed       | 24        | 20%        |
|       |                           | Govt. Employed         | 25        | 20.8%      |
|       |                           | Business               | 22        | 18.3%      |
| 5     | Marital status            | Married                | 107       | 89.2%      |
|       |                           | Unmarried              | 13        | 10.8%      |
| 6     | Family income             | Below Rs.1,20,000      | 20        | 16.7%      |
|       |                           | Rs. 120001- 1,70,000   | 28        | 23.3%      |
|       |                           | Rs. 1,71,001- 2,20,000 | 21        | 17.5%      |
|       |                           | Rs. 2,20,001- 2,70,000 | 29        | 24.2%      |
|       |                           | Above Rs. 2,70,000     | 22        | 18.3%      |

<sup>1</sup> Amber Yamin Khan\*, E. K. (2016). "Identifying the Factors affecting the. *Journal of Business Strategies* , 147-156.

|    |                          |                    |    |       |
|----|--------------------------|--------------------|----|-------|
| 7  | Size of Family           | Up to 2 members    | 30 | 25%   |
|    |                          | 3 and 4 members    | 50 | 41.7% |
|    |                          | 5 and above        | 40 | 33.3% |
| 8  | Amount Spend on purchase | Below 500          | 25 | 20.8% |
|    |                          | 501-1000           | 36 | 30%   |
|    |                          | 1001-1500          | 29 | 24.2% |
|    |                          | Above 1500         | 30 | 25%   |
| 9  | Frequency of purchase    | Weekly             | 29 | 24.2% |
|    |                          | Monthly            | 29 | 24.2% |
|    |                          | Festivals          | 31 | 25.8% |
|    |                          | Others             | 31 | 25.8% |
| 10 | Celebrity Influence      | Yes                | 67 | 55.8% |
|    |                          | No                 | 53 | 44.2% |
| 11 | Place of purchase        | Shopping Mall      | 29 | 24.2% |
|    |                          | Hyper market       | 31 | 25.8% |
|    |                          | Super Market       | 28 | 23.3% |
|    |                          | Departmental store | 32 | 26.7% |

(Source: Primary Data)

From the table-1, it is inferred that the majority of gender of the respondents furnishes, 69.2% respondents are female. Age of the respondents furnishes that 31.7% respondents are falls 21-30 years. Educational qualification of the respondents shows that majority (37.5%) are graduation. The occupation of the respondents shows that 30% are Self Employee. Monthly income of the respondents has been checked, it evidences 24.2% respondents earnings falls Rs. 2,20,001- 2,70,000 under .Size of the family shows that 41.7% are 3-4 members of the family.

**Table-2: Regression Analysis**

|                    | Un –standardized coefficients |           | Beta coefficients | t- value | Sign |
|--------------------|-------------------------------|-----------|-------------------|----------|------|
|                    | B                             | Std.Error |                   |          |      |
| Buying Process     | 2.555                         | .530      | -                 | 4.816    | .000 |
| Need Recognition   | .111                          | .099      | .051              | 1.126    | .262 |
| Information Search | -.015                         | .114      | -.006             | .131     | .896 |
| Evaluation         | 1.368                         | .095      | .638              | 14.442   | .000 |
| Purchase Decision  | .869                          | .089      | .489              | 8.537    | .000 |
| Post purchase      | .962                          | .089      | .489              | 10.776   | .000 |
| R                  | 0.901                         |           |                   |          |      |
| R square           | 0.811                         |           |                   |          |      |
| Adjusted R square  | 0.803                         |           |                   |          |      |
| F value            | 98.098                        |           |                   |          |      |
| Sig                | .000                          |           |                   |          |      |

(Source: Primary Data)

Table 2 discloses value of  $R^2$  and adjusted  $R^2$  as 0.901 and 0.811 respectively which indicates variation on consumer buying process is explained by five independent variables. First factors are having highest beta co-efficient 0.638 and t-value 14.442 that are statistically significant at 1% level. This factors evidence the strong buying decision process in cosmetics. Likewise, four factors influence possessing positive beta co-efficient and statistically significant 5% level. This analysis reveals that all factors in way of buying decision process.

## CONCLUSION

Thus cosmetic is a preparation exceedingly applied to change or improve the beauty of skin, hair, nails, lips and eyes. Every exposable part of the human formation is subject to cosmetic attraction. So cosmetics have been used from ancient times to new times; It is used not only by females but also by males; It becomes part and parcel of human beings from cradle to grave. Cosmetics have created several Miss Worlds and Miss Universes. Its application in cine world or film industry is tremendous. It has occupied a significant place in human life in one way or other. The ever increasing population makes the use of cosmetics multiply considerably. So marketing of cosmetics becomes competitive. Advertisements through mass media like radio, TV, newspapers etc., promote the sale of cosmetics in a larger scale. Research has been accepted out to advance its quality and new kinds of cosmetics products are coming to the market. Consumers expect quality cosmetics at reasonable

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price. So it is the duty of the Government, manufacturers and middlemen to supply these necessities of life available in a fair price.

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## CONSUMER BEHAVIOR ON MOBILE NUMBER PORTABILITY IN CHENNAI REGION

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## ABSTRACT

*The telecommunication sector is one of the competitive sectors which need the attention of the telecommunication service providers on the quality of the service they offering to their customers. The research sought to find whether the consumer behaviour rendered to subscribers after the introduction of the mobile number portability (MNP) has improved and whether it is having any effect on consumers (subscribers) in Chennai. The research utilized a survey from 400 respondents from the consumer. The study used the convenience sampling. The findings of the research show that, there is no relationship between MNP and factors of MNP. Also the quality of service after the introduction of MNP has not improved. However lower porting rates were recorded because subscribers perceived that there was homogeneity of services on offer by the various network providers in Chennai i.e. Vodafone, Airtel, BSNL and other service provider. This research concluded that, MNP service cannot be considered a success. In that, if the threat of porting leads to improved competition among the other operators.*

*Keywords: Mobile Number Portability, consumer behaviour, Telecommunication.*

## INTRODUCTION

The Mobile Phone Network service has been recognized throughout the world as an important tool for socio-economic development of a nation. As the majority of people depend on mobile phone for communication, banking, internet and other activities, Mobile Phone service providers are providing various facilities to attract the customer along with updated technology. The challenge for the service providers is to find out the critical factors that influence the customer preference. Customer always tries to buy the product which has many attributes fulfilling their need. As perception towards quality is more, customers are becoming harder to please, smarter, more demanding, less forgiving and they are approached by many service providers with more or less equal offers. The fundamental goal of service providers is to increase customer satisfaction and to maintain long term customer relationship. Nowadays, the mobile phones are progressively becoming cheaper and affordable for the people, the service providers are also adding new schemes, offers and technology advancement in this service. This has resulted in more and more consumers buying mobile phones and Network Portability.

Network Portability means usability of the same software in different environment i.e., ability of a customer to change his or her network operator or service provider. Network Portability behaviour of customer means a service that allows a cell phone or smart phone customer to change network and keep the same number. This behaviour of customer differs based on the satisfactory level of the customers with the service providers. Portability occurs due to dissatisfaction or any other problem. Even, if a customer is loyal to a particular brand, if the brand does not satisfy the need, the consumer portage to a competitor brand. Losing a consumer is a serious setback for the service provider in the terms of present and future earnings. In 2013, statistics from the international Telecommunication union revealed that the penetration rate of mobile phone subscriber is 96.2 per 100 inhabitation globally<sup>1</sup>. The report has suggested that there are now more mobile phone users in the developing country than in the developed country.

## REVIEW OF LITERATURE

**Sarkar, D., Banerjee, A. K., & Datta, S. K. (2018)<sup>2</sup>.** A Study on Customer Attitude towards Full Mobile Number Portability in Kolkata City This empirical paper tries to investigate some relevant information about the attitudinal issue amongst the prospective customers of Pan MNP in Kolkata region. Here questionnaire has been designed to capture the attitude of people towards Pan MNP, which can help service provider to formulate their policy and would help them to generate revenue. Data were collected from prospective Pan MNP customers like Students, Service holders, etc. who might change their geographical location. Also predictive attitude has been

<sup>1</sup>Md.Motaher Hossain and Nussat Jahan Suchy, Journal of social science 9 (2) 73:80,2013, Published online 9(2) 73:80, 2013 (<http://www.thescipub.com/jss.toc>)

<sup>2</sup> Sarkar, D., Banerjee, A. K., & Datta, S. K. (2018). A Study on Customer Attitude Towards Full Mobile Number Portability in Kolkata City. *International conference on recent innovation in management, engineering, science and technology, Rajshree Institute of Management & Technology Bareilly India*, 275-289.

calculated using various statistical tools like factor analysis, regression method, etc. The result depicts that the cellular customers show preference for Pan MNP based on Tariff, VAS, Technical and Nontechnical components. As a whole customers showed a very positive attitude towards Pan MNP in Kolkata.

### STATEMENT OF THE PROBLEM

In the post liberalisation era, a giant amendment transpires in promoting of cellular services. However, satisfactions of subscribers become the foremost vital goal of all cellular corporations. the foremost difficult job for this day for network suppliers is to retain their customers. As mobile variety portability has been introduced in Bharat, the mobile user's shift turnover is a lot of. The analysis study undertaken brings to light the explanations behind mobile variety portability.

### SCOPE OF THE STUDY

The study is Indian medium sector and shopper behavior of mobile range portability services. To grasp whether or not individuals need to vary their current mobile service supplier after they square measure permissible to retain this transportable range that they need and conjointly what square measure the factors that influence shopper to vary their service suppliers.

### OBJECTIVES OF THE STUDY

1. To explore the factors that influence portage of mobile phone network services.
2. To measure the level of post portability satisfaction of customers towards mobile phone network services.

### HYPOTHESES OF THE STUDY

1. There is no significant difference between gender and degrees of importance that encourage switching the cellular services.
2. There is no significant difference between post portability satisfactions of customers among the mobile phone network service providers.

### RESEARCH METHODOLOGY

Research Methodology is the way of systematically solving the research problem. It is a science of studying how research is conducted scientifically. This study both analytical and descriptive type of methodology, which includes the sampling technique, collection of data, period of the study, method of analysis, tools for analysis and measurement of variables used in the present study and was conducted in with a preliminary pilot study followed by the main study.

### SOURCES OF DATA

The present study comprises of both primary and secondary data. The **Primary data** is collected by conducting questionnaire based survey among the population of customer satisfaction in mobile number portability in Chennai Region. The **Secondary data** consist of information from various publications, Annual reports, books, Journals, Magazines, Seminar materials, Published and Unpublished reports, websites and libraries pertaining to Telecom Regulatory Authority of India (TRAI).

### SAMPLE DESIGN AND SAMPLE SIZE

This sampling technique is a widely adopted technique when the size of target population is quite large and unknown. As sample is quite large and unknown, customer behaviour of mobile number portability sample size for the present research work is determined based on following formula as referred by Osisioma *et al.* (1974)<sup>1</sup>.

$$n = \frac{Z^2 \alpha / 2}{4 e^2}$$

Where, n is sample size, Z is standard value corresponding to 95% confidence level, and e is the proportion of sampling error in a given situation (allowance of error in sampling considered for the present study is 5%). Thus, using the formula, the sample size is arrived at 384. So, the sample size of anything above 384 is quite acceptable. For this study, the total sample respondents are 400. To select the customers for the survey, judgemental sampling technique is used.

<sup>1</sup>Osisioma, H.E., Osisioma, B.C., and Chukwuemeka, E.E.O., (2012) in "Developing a Conflict Management Model for the Nigerian Executive", *Singaporean Journal of Business Economics, and Management Studies*, Vol.1, No.1, pp.1-19

**RESULTS OF RELIABILITY AND VALIDITY**

The analysis for the survey data was done by collating, grouping and manually counting of the survey. Data on service quality dimensions were analyzed using correlations, multiple linear regressions and descriptive analysis. The Statistical Package for Social Sciences (SPSS) was used to process the data set. Assessment was based on a five point Likert scale. The time period of conducting this study was 1 year i.e. from April 2017 to July 2018. In order to test the internal consistency of the variables in the questionnaire, the Cronbach's Alpha test has been carried out and the result has been presented in table-1.1 All factors were reliable with the Cronbach's alpha value greater than 0.60 (Hair et al. 1998)<sup>1</sup>. The analyzed results are presented in tabular form.

| Q.N.* | Topic  | No. of Variables | Alpha Value |
|-------|--|------------------|-------------|
| 1     | Factors influencing the change MNP                           | 20               | 0.798       |
| 2     | Satisfaction of post portability in current service provider | 27               | 0.893       |

**PROFILE OF THE RESPONDENTS TAKEN FOR THE STUDY**

Socio economic profile is both quantitative and qualitative aspects of selected human population. The following section presents the social and economic profile of the respondents include composition, Gender, Age, Educational Qualification, Occupational status, Monthly wise income, size of the family, Use of mobile phone in the family members, use of mobile phone and respondent's awareness about mobile number portability etc.

**TABLE-4.1: SOCIAL PROFILE OF THE RESPONDENTS**

| Social Factors                   | Classification      | Frequency | Percentage (%) | Mean | S . D | C.V   |
|----------------------------------|---------------------|-----------|----------------|------|-------|-------|
| <b>Gender</b>                    | Male                | 277       | 69.3           | 1.31 | .462  | .213  |
|                                  | Female              | 123       | 30.8           |      |       |       |
| <b>Age</b>                       | 20-30 Years         | 200       | 50.0           | 1.96 | 1.164 | 1.35  |
|                                  | 31-40 Years         | 77        | 19.3           |      |       |       |
|                                  | 41-50 Years         | 77        | 19.3           |      |       |       |
|                                  | 51-60 Years         | 30        | 7.5            |      |       |       |
|                                  | Above 61 Years      | 16        | 4.0            |      |       |       |
| <b>Educational Qualification</b> | School level        | 32        | 8.0            | 3.77 | 1.35  | 1.73  |
|                                  | Diploma /ITI        | 45        | 11.3           |      |       |       |
|                                  | Graduate            | 76        | 19.0           |      |       |       |
|                                  | Post- Graduate      | 78        | 19.5           |      |       |       |
|                                  | Professional Degree | 169       | 42.3           |      |       |       |
| <b>Occupational Status</b>       | Student             | 120       | 30.0           | 2.6  | 1.36  | 1.85  |
|                                  | Government Employee | 61        | 15.3           |      |       |       |
|                                  | Private Employee    | 142       | 35.5           |      |       |       |
|                                  | Business            | 15        | 3.8            |      |       |       |
|                                  | Professionals       | 62        | 15.5           |      |       |       |
| <b>Monthly Income</b>            | Nil                 | 120       | 30.0           | 4.39 | 2.09  | 4.399 |
|                                  | Rs. 5000 -10000     | 16        | 4.0            |      |       |       |
|                                  | Rs. 10,001- 20,000  | 94        | 23.5           |      |       |       |
|                                  | Rs.20,001- 30,000   | 61        | 15.3           |      |       |       |
|                                  | Rs.30,001 – 40,000  | 47        | 11.8           |      |       |       |
|                                  | Rs. 40,001 – 50,000 | 31        | 7.8            |      |       |       |
|                                  | Above Rs. 50,001    | 31        | 7.8            |      |       |       |

Source: Primary Data

**Gender:** From the Table 4.1 it can be understood that out of 400 respondents 277 of them (69.3%) are male; and 123 of them (30.8%) are female. From this we can understand that the male respondents take part in the study more than the female respondents.

**Age:** The researcher has chosen respondents from a wide range of age category from the age of 20 and above. From the Table 4.1 it can be understood that most of the respondents i.e 50.0 per cent are in the age category of 20-30 years followed by 31-40 and 41-50 years old respondents who comprise 19.3 per cent, 51-60 years old

<sup>1</sup>Hari J.F., Anderson R.E., Tathan R.L. and Black W.C. (1998). *Multivariate Data Analysis*, Upper Saddle River, NJ:Prentice Hall.

category respondents constitute in the sample about 7.5 per cent and finally the remaining 4.0 per cent respondents are in the age group of above 61 years old. Further the Table clearly shows that the younger age group of respondents i.e. 20-30 years old constitutes 50.0 per cent only which means that young people are using mobile portability follow by 19.3 percent in 31 -40 years and 41- 50 years.

**Educational Qualification:** In the present study out of 400 total respondents, most of the respondents (169) have completed their professional degree followed by 78 respondents who have completed their Post- Graduate education, 76 respondents have graduates, 45 respondents have completed only their Diploma/ITI education and 32 respondents have completed their school level education. Since study area, in previous year using the mobile phone was utilized in rich person's especially professional holders. Now at present Aircel coverage not cleared in Tamilnadu. So, Aircel customers were simply converting to other networks.

**Occupation:** In the present study out of 400 total respondents, most of the respondents (120) are student followed by 61 respondents who are government employed, 142 respondents are private employee 15 respondents are doing their own business and the remaining 62 respondents are doing their professional.

**Monthly Income:** The researcher has chosen his respondents from a wide range of income category starting from the income of single rupees to above Rs. 50001. From the Table 4.1 it can be understood that most of the respondents i.e. 4.0 per cent are in the income category of Rupees Rs. 5000 -10000 followed by Rs. 50001-100000 income earning category where the respondents comprises 23.6 per cent, Rs. 10,001- 20,000 income earning category respondents constitute in the sample about 23.5 per cent, Rs.20,001- 30,000 income earning category about 15.3 per cent Rs.30,001 – 40,000 income earning category about 11.8 percent respondents Rs. 40,001 – 50,000 and above 50,0001 income earning category about 7.8 percent respondents and finally the remaining 30 per cent respondents are in the income category of nil category.

#### RELATIONSHIP BETWEEN GENDER AND DEGREES OF IMPORTANCE THAT ENCOURAGE SWITCHING THE CELLULAR SERVICE

The researcher has employed a technique called Multiple Regression Analysis for the purpose of assessing the relationship between the age and to degrees of importance that encourage switching the cellular services. The researcher has made an attempt to find out the simultaneous effects of various independent variables on the dependent variable i.e., the degrees of importance that encourage switching the cellular services. A Multiple Regression Equation was constructed by using independent variables such as Gender Group ( $x_1$ ). The results of multiple regression technique are presented in the Table -2

**TABLE NO-2: RELATIONSHIP BETWEEN GENDER AND DEGREES OF IMPORTANCE THAT ENCOURAGE SWITCHING THE CELLULAR SERVICE**

| ENCOURAGE SWITCHING THE CELLULAR SERVICE |  |                             |            |                           |        |       |
|--|--|-----------------------------|------------|---------------------------|--------|-------|
| Coefficients <sup>a</sup>                |  |                             |            |                           |        |       |
| Model                                    |  | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig.  |
|  |  | B                           | Std. Error | Beta                      |        |       |
| 1  | (Constant)   | 1.051**                     | .324       |                           | 3.241  | .001* |
|  | Better price deal by competitor                    | .023                        | .024       | .077                      | .954   | .341  |
|  | Better service quality by competitor other company | -.229                       | .054       | -.665                     | -4.263 | .000* |
|  | Technical problems with current service provider   | .011                        | .030       | .036                      | .374   | .708  |
|  | Availability of services required                  | -.042                       | .031       | -.095                     | -1.345 | .179  |
|  | Quality of interaction with services providers     | .127                        | .047       | .357                      | 2.689  | .007* |
|  | Network coverage                                   | .085                        | .054       | .267                      | 1.562  | .119  |
|  | Connectivity between services                      | .072                        | .022       | .198                      | 3.317  | .001* |
|  | Sordid customer service                            | -.216                       | .062       | -.504                     | -3.460 | .001* |
|  | Product features                                   | -.026                       | .055       | -.070                     | -.483  | .629  |
|  | Availability of service providers centers          | -.123                       | .045       | -.316                     | -2.746 | .006* |
|  | Attractive offers by competitors                   | .278                        | .050       | .783                      | 5.605  | .000* |
|  | Customer services support                          | .104                        | .041       | .267                      | 2.507  | .013* |
|  | Switching barriers factor                          | .106                        | .024       | .285                      | 4.510  | .000* |
|  | Switching cost                                     | -.117                       | .054       | -.340                     | -2.183 | .030* |
|  | Opportunity cost                                   | .306                        | .127       | .601                      | 2.398  | .017* |
|  | Loyalty program                                    | -.026                       | .042       | -.073                     | -.620  | .536  |

|  |                              |                        |                          |        |              |
|--|------------------------------|------------------------|--------------------------|--------|--------------|
| Price factors  | -.441                        | .076                   | -1.141                   | -5.792 | .000         |
| Price scheme   | .240                         | .047                   | .698                     | 5.100  | .000         |
| Additional services fee                                    | .014                         | .060                   | .038                     | .230   | .818         |
| The internet speed offered by the competitor yields to MNP | .143                         | .046                   | .437                     | 3.136  | <b>.002*</b> |
| Market share   | -.266                        | .029                   | -.732                    | -9.291 | <b>.000*</b> |
| Brand image  | -.273                        | .039                   | -.567                    | -7.038 | <b>.000*</b> |
| Loyalty towards a service provider                         | .245                         | .032                   | .652                     | 7.544  | <b>.000*</b> |
| Price discount   | .051                         | .029                   | .140                     | 1.735  | .084         |
| Bundled handset offer (effective price)                    | -.032                        | .030                   | -.097                    | -1.061 | .289         |
| <b>R : 0.849</b>   | <b>R<sup>2</sup> : 0.721</b> | <b>F value: 38.693</b> | <b>P. value : 0.000*</b> |        |              |

**a. Dependent Variable: gender wise respondents**

Source: Computed Data

The regression analysis Yields the following equation for determining the dependent variable gender:

$$Y = 1.051^{**} + -0.229 (x_1) + 0.127 (x_2) .072 (x_3) - 0.216 (x_4) -0.123 (x_5) + 0.278 (x_6) + 0.104 (x_7) + 0.106 (x_8) - 0.117 (x_9) + 0.306 (x_{10}) + 0.143 (x_{11}) -0.266 (x_{12}) -0.273(x_{13}) +0.245(x_{14}).$$

The factors that proved to be Significant in relation to gender are: better service quality, better services, Quality of interaction, connectivity services, Sordid customer service, Attractive offers, Customer services, Availability of services, Switching barriers cost, Switching cost, Opportunity cost, internet speed, Market share, Brand image, Loyalty. The Rest of the tested independent variables were found to have no significant relationship with gender. Thus, further research is recommended. The positive sign of the coefficients of the variables, better service quality, better services, Quality of interaction, connectivity services, Sordid customer service, Attractive offers, Customer services, Availability of services, Switching barriers cost, Switching cost, Opportunity cost, internet speed, Market share, Brand image, Loyalty, indicates that there is a positive correlation between these variables and gender in appraisal process. The Regression equation proved to be significant at the 0.05 Significance level (95% Confidence) With an F-Value 38.693 and a significance of 0.000.

**SATISFACTION OF MOBILE NUMBER PORTABILITY**

The following table -3 shows that the satisfaction of mobile number portability. The analyse used by frequency analyses, percentage analyses, mean and standard deviation.

**TABLE NO-3: SATISFACTION OF MOBILE NUMBER PORTABILITY**

| Factors   | 1            | 2            | 3             | 4             | 5             | Mean {SD}       |
|---|--------------|--------------|---------------|---------------|---------------|-----------------|
| Billing methods are transparent & simple  | 84<br>(21)   | 37<br>(9.3)  | 111<br>(27.8) | 120<br>(30.0) | 48<br>(12.0)  | 3.03<br>{1.31}  |
| Clear and useful promotional offers are provided along with the billing statement | 15<br>(3.8)  | 92<br>(23.0) | 123<br>(30.8) | 93<br>(23.3)  | 77<br>(19.3)  | 3.31<br>{1.135} |
| One could or easily contact the Customer service centres                          | 73<br>(18.3) | 31<br>(7.8)  | 106<br>(26.5) | 138<br>(34.5) | 52<br>(13.0)  | 3.16<br>{1.285} |
| Always Customer service centres are courteous to help in all regards              | 30<br>(7.5)  | 45<br>(11.3) | 123<br>(30.8) | 156<br>(39.0) | 46<br>(11.5)  | 3.36<br>{1.067} |
| Customer service centres could understand the problems easily.                    | 30<br>(7.5)  | 78<br>(19.5) | 77<br>(19.3)  | 93<br>(23.3)  | 122<br>(30.5) | 3.5<br>{1.305}  |
| Customer service centres communicates clearly and impartially.                    | 46<br>(11.5) | 60<br>(15.0) | 77<br>(19.3)  | 155<br>(38.8) | 62<br>(15.5)  | 3.32<br>{1.233} |
| Availability of customer service centres  | 62<br>(15.5) | 46<br>(11.5) | 123<br>(30.8) | 63<br>(15.8)  | 106<br>(26.5) | 3.26<br>{1.374} |
| Delivery of SMS, MMS etc., is prompt.   | 0<br>(0)     | 75<br>(18.8) | 62<br>(15.5)  | 156<br>(39.0) | 107<br>(26.8) | 3.7<br>{1.052}  |
| Network coverage is ubiquitous.   | 31<br>(7.8)  | 61<br>(15.3) | 108<br>(27.0) | 93<br>(23.3)  | 107<br>(26.8) | 3.46<br>{1.248} |
| Other services are also offered timely  | 0<br>(0)     | 77<br>(19.3) | 31<br>(7.8)   | 153<br>(38.3) | 139<br>(34.8) | 3.89<br>{1.088} |

|   |               |               |               |               |               |                 |
|---|---------------|---------------|---------------|---------------|---------------|-----------------|
| Service provider's representatives resolve problems comfortable                                 | 122<br>(30.5) | 61<br>(15.3)  | 63<br>(15.8)  | 78<br>(19.5)  | 76<br>(19.0)  | 2.81<br>{1.516} |
| Service provider's representatives have skill & knowledge to answer any queries.                | 43<br>(10.8)  | 118<br>(29.5) | 106<br>(26.5) | 91<br>(22.8)  | 42<br>(10.5)  | 2.93<br>{1.171} |
| Service providers look forward to the feedback and response                                     | 46<br>(11.5)  | 78<br>(19.5)  | 91<br>(22.8)  | 93<br>(23.3)  | 92<br>(23.0)  | 3.27<br>{1.319} |
| Innovative services are offered by the current operator   | 59<br>(14.8)  | 69<br>(17.3)  | 90<br>(22.5)  | 152<br>(38.0) | 30<br>(7.5)   | 3.06<br>{1.201} |
| New schemes and plans have been offered by the service provider which attracts new customers    | 46<br>(11.5)  | 93<br>(23.3)  | 108<br>(27)   | 107<br>(26.8) | 46<br>(11.5)  | 3.00<br>{1.209} |
| Comparing the competitors attractive plans are offered by the service providers                 | 77<br>(19.3)  | 76<br>(19.0)  | 77<br>(19.3)  | 93<br>(23.3)  | 77<br>(19.3)  | 3.04<br>{1.402} |
| The present services have voice clarity and uninterrupted signal.                               | 38<br>(9.5)   | 77<br>(19.3)  | 143<br>(35.8) | 127<br>(31.8) | 15<br>(3.8)   | 3.01<br>{1.021} |
| The current service provider is genuine and ethical.  | 31<br>(7.8)   | 94<br>(23.5)  | 168<br>(42)   | 92<br>(23.0)  | 15<br>(3.8)   | 2.73<br>{1.020} |
| The service provider apologises for inconvenience caused to customers/you                       | 46<br>(11.5)  | 92<br>(23.0)  | 171<br>(42.8) | 31<br>(7.8)   | 60<br>(15.0)  | 2.92<br>{1.168} |
| The service provider strictly adheres to the terms for activation & recharge and bill payments. | 0<br>(0)      | 103<br>(25.8) | 129<br>(32.3) | 91<br>(22.8)  | 77<br>(19.3)  | 3.36<br>{1.064} |
| The service provider has working hours convenient to all customers.                             | 106<br>(26.5) | 62<br>(15.5)  | 124<br>(31.0) | 63<br>(15.8)  | 45<br>(11.3)  | 2.70<br>{1.317} |
| The service provider has adequate infrastructure  | 29<br>(7.2)   | 120<br>(30.0) | 97<br>(24.3)  | 107<br>(26.8) | 47<br>(11.8)  | 3.06<br>{1.152} |
| Comparatively new schemes and plans are offered for cheaper price                               | 42<br>(10.5)  | 53<br>(13.3)  | 79<br>(19.8)  | 151<br>(37.8) | 75<br>(18.8)  | 3.41<br>{1.231} |
| Network intensity is quite prevalent every where  | 45<br>(11.3)  | 74<br>(18.5)  | 136<br>(34.0) | 102<br>(25.5) | 43<br>(10.8)  | 3.06<br>{1.149} |
| Service Provider apps   | 47<br>(11.8)  | 30<br>(7.5)   | 124<br>(31.0) | 107<br>(26.8) | 92<br>(23.0)  | 3.42<br>{1.25}  |
| Availability of network   | 61<br>(15.3)  | 76<br>(19.0)  | 46<br>(11.5)  | 110<br>(27.5) | 107<br>(26.8) | 3.32<br>{1.432} |
| High Internet speed   | 62<br>(15.5)  | 62<br>(15.5)  | 91<br>(22.8)  | 64<br>(16.0)  | 121<br>(30.3) | 3.30<br>{1.435} |

Source: Primary Data

Figures in brackets are % to Row Total; Figure curly braces are standard deviation.

From the above table shows that, out of 27 factors of the satisfaction of mobile number portability. The highest mean score of other services are also offered timely (3.89) followed by Delivery of SMS, MMS is prompt (3.70), Customer service centres could understand the problems easily (3.50), Network coverage is ubiquitous (3.46), Service Provider apps (3.42), Comparatively new schemes and plans are offered for cheaper price (3.41), Availability of network (3.32), highly internet speed (3.30), service provider strictly adheres to the terms for activation & recharge and bill payments (3.36), Customer service centres communicates clearly and impartially (3.32), Clear and useful promotional offers are provided along with the billing statement (3.31), Feedback and Response (3.27), Availability of customer service centres (3.26), Easily contact the Customer service centres (3.16) Network intensity, adequate infrastructure, Innovative services are offered (3.06), Billing methods are transparent & simple (3.03), Comparing the competitors attractive plans are offered by the service providers (3.04), Voice clarity and uninterrupted signal (3.01), New schemes and plans (3.00),

The least mean score of Skill & knowledge to answer any queries in service provider (2.93), service provider apologises for inconvenience caused to customers/you (2.92), Service provider's representatives resolve problems comfortable (2.81) current service provider is genuine and ethical (2.73) working hours convenient to all customers (2.70).

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**FINDINGS OF THE STUDY**

- ❖ The study found that the younger age group of respondents i.e. 20-30 years old comprises only 50.0 per cent in the study. Most of the respondents use the mobile phone services in younger people.
- ❖ It is found that in the study area most of the respondents are male (69.3%) are male; and (30.8%) are female.
- ❖ It is found that in the study area most of the respondents (169) have completed their professional degree.
- ❖ Since the study area relates to IT sector area, most of the respondents were private employees followed by the students and government services.
- ❖ In the study area most of the respondents earning the income Rs. 10,001- 20, 000 followed by the Rs. 20001- 30001.

**SUGGESTIONS**

- ✓ Most of the respondents are satisfied with the services provided by BSNL, Vodafone, Airtel, and other mobile services; steps to be taken to retain the customer as well as the sources of awareness of mobile number portability only by the word of mouth by the customer try to utilize these loyal customers make the most satisfied.
- ✓ It is noticed that the demographic variables occupational status, monthly income level has the strongest factor with relate to the overall satisfaction level. So it is suggested while any changes have been made in service and tariff plan which is to be considered for the existing customer satisfaction.
- ✓ The service providers could focus the retain their existing customer and adding new customer to their basket.

**CONCLUSION**

Mobile range portability System can amendment the state of affairs of the telecommunication business. Earlier the sole means a service supplier was ready to hold their client was by the mobile range. However currently with the arrival of mobile range portability comes in to action client can have freedom to modify with same range therefore client can rule the market. During this battle between customers and repair suppliers, service supplier can got to surrender against customers. The scientist most of the folks that have ported their numbers thought that the service quality has not improved or it's poorer than before porting. Therefore the general service quality of the business has not improved even once the introduction of mobile range portability (MNP).

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**A STUDY ON HEALTH INSURANCE SCHEMES INCURRED CLAIMS SETTLEMENT RATIO OF SELECT HEALTH INSURANCE COMPANIES**

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**ABSTRACT**

*Health insurance is an insurance that covers the whole or a part of the risk of a person incurring medical expenses, spreading the risk over a large number of persons. Health insurance includes insurance for losses from accident, medical expense, disability, or accidental death and dismemberment. This paper focus on the health insurance schemes incurred claims settlement ratio of select health insurance companies such as Star Health Insurance, Reliance, Apollo Munich, HDFC and Max Bupa Health Insurance have taken in this study. This Article also compares the performance of health insurance schemes offered by the selected companies.*

*Keywords: health Insurance; incurred Claim settlement; Star Health Insurance, Reliance Apollo Munich, HDFC Max Bupa Health Insurance*

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**1. INTRODUCTION**

Health insurance is insurance that covers the whole or a part of the risk of a person incurring medical expenses, spreading the risk over a large number of persons. By estimating the overall risk of health care and health system expenses over the risk pool, an insurer can develop a routine finance structure, such as a monthly premium or payroll tax, to provide the money to pay for the health care benefits specified in the insurance agreement. The benefit is administered by a central organization such as a government agency, private business, or not-for-profit entity. According to the Health Insurance Association of America, health insurance is defined as "coverage that provides for the payments of benefits as a result of sickness or injury. It includes insurance for losses from accident, medical expense, disability, or accidental death and dismemberment. Health insurance in India is a growing segment of India's economy. In 2011, 3.9% of India's gross domestic product was spent in the health sector. According to the World Health Organisation (WHO), this is among the lowest of the BRICS (Brazil, Russia, India, China, and South Africa) economies. Policies are available that offer both individual and family cover. Out of this 3.9%, health insurance accounts for 5-10% of expenditure, employers account for around 9% while personal expenditure amounts to an astounding 82% in the year 2016, the NSSO released the report "Key Indicators of Social Consumption in India: Health" based on its 71st round of surveys. The survey carried out in the year 2014 found out that, more than 80% of Indians are not covered under any health insurance plan, and only 18% (government funded 12%) of the urban population and 14% (government funded 13%) of the rural population was covered under any form of health insurance.

**2. REVIEW OF LITERATURE**

Jan Boone (2018) in a model where patients face budget constraints that make some treatments unaffordable without health insurance, we ask which treatments should be covered by universal basic insurance and which by private voluntary insurance. We argue that next to cost effectiveness, prevalence is important if the government wants to maximize the welfare gain that it gets from its health budget. Conditions are derived under which basic insurance should cover treatments that are mainly used by high risk agents with low income.

Sandhya R. Mahapatro, Pushpendra Singh, Yadawendra Singh, (2018) Background: India is one of the most privatized health systems with high OOP payment for health care in the world. The financial burden of OOP payment has an iniquitous effect on access to health care as it restricts health care accessibility among poor. To provide universal health care access to all its citizen government has launched health insurance programs in the recent past. Objective The study attempts to understand the impact of health insurance schemes on tackling the economic burden of out of pocket expenditure and its effectiveness in reducing economic inequalities in health care spending. Method The study utilizes National Sample Survey 2014 data to fulfil the objectives. Bi-variety analysis and two-part model were used to examine the association of health insurance with the level of health expenditure and financial burden. Results: The paper shows that health insurance schemes are effective in reducing the burden of OOP expenditure but economic disparities in the financial burden of OOP expenditure exist where the poor with less income spends a greater share of household income than the rich. Conclusion: An increasing coverage of poor under health insurance no doubt protects against health care impoverishment, but mere provision health care does not address the issue of equity in health spending as the burden of health spending was more among poor. The major implication of the findings is that there is a need for analyzing the efficiency and equity implication of the health insurance schemes in providing financial protection.



**3. OBJECTIVES OF THE STUDY**

- To study the concept of new health insurance policies in India.
- To examine the growth of Health insurance incurred claim settlement ratio of select health insurance companies.
- To offer Summary of findings, suggestions, and conclusion.

**4. RESEARCH METHODOLOGY**

The study is based on secondary data taken from the annual reports of selected company in IRDA annual report and development of industries have been collected mainly from the books and magazine relating to the published papers, reports, articles and from the various newspapers research reports published and various websites.

**5. TOOLS USED FOR THE STUDY**

Tools used for the study are Mean, Standard Deviation, Co-Variation and Growth rate.

**6. PERIOD OF THE STUDY**

For the purpose of analysis of the data, the period of the study 2011-2017

**7. NEW HEALTH INSURANCE POLICIES IN INDIA**

7.1 Individual health insurance: This is taken by customers who wish to protect themselves from financial uncertainty in case they are ever hospitalized due to the onset of a sudden and unforeseen illness, or an accident at work or on the road.

7.2 Family floater health insurance: This is taken by customers who wish to cover themselves from potential financial uncertainty that could arise from any member of their family requiring hospitalization. Some people, who are unaware of this category, choose to take individual policies for each member of their family. This is an expensive and unnecessary practice.

7.3 Senior citizen health insurance: This is taken by and for senior citizens, and has a lot of additional benefits and financial coverage for health issues and injuries that are common among senior citizens. A senior citizen would benefit a lot more taking a senior citizen health insurance plan, than he or she would by taking a regular individual health insurance plan.

7.4 Critical illness health insurance: Regular hospitalization and treatment charges, while incredibly expensive, cannot even be compared to the amount charged for treatment of critical illnesses. There are specific health insurance policies that offer huge pay outs on the diagnosis of pre-defined critical illnesses.

7.5 Maternity Health Insurance: Nowadays, almost every health insurance company cover pre and post natal care, child deliveries and sometimes vaccination expenses of new born babies as well. In short, it provides cover to all your maternity expenses. However, features and exclusions can vary from insurer to insurer.

7.6 Unit Linked Health Plan (ULHP): Health insurance companies have recently introduced ULHPs. It is basically a combination of health insurance and investment. Along with the health protection, ULHPs will help you in building a corpus which can be used by the investor to meet expenditures that do not get covered under health insurance plans. The return, of course, depends upon the market conditions at that time. But these plans are still in the development stages are recommended for those who can handle products like unit linked insurance plans (ULIPs) and unit linked pension plans (ULPPs)

**8. HEALTH INSURANCE INCURRED CLAIM SETTLEMENT RATIO OF SELECT HEALTH INSURANCE COMPANIES****TABLE-8.1: STAR HEALTH INSURANCE INCURRED CLAIMS RATIO IN THE YEAR OF 2011-17**

| Year    | Government Sponsored Schemes including RSBY |                       |                             | Group Insurance Schemes excluding Govt. Sponsored Schemes |                       |                             | Family/Floater Insurance excluding Individual Policies |                       |                             | Individual Insurance excluding Family/Floater Policies |                       |                             | TOTAL              |                       |   |
|---------|---|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--|-----------------------|-----------------------------|--|-----------------------|-----------------------------|--------------------|-----------------------|---|
|         | Net Earned Premium                          | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium  | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium | Claims Incurred (Net) | Growth of Incurred Claims Ratio (Net) % |
| 2011-12 | 539.43                                      | 603.12                | 111.81%                     | 22.28   | 13.50                 | 61%                         | 148  | 104.03                | 70.46%                      | 86.54  | 46.65                 | 54.53%                      | 794.89             | 767.29                | -                                       |
| 2012-13 | 95.89                                       | 67.13                 | 70.01%                      | 40.03   | 27.13                 | 68%                         | 245  | 157.30                | 64.25%                      | 115.51   | 63.78                 | 55.21%                      | 496.24             | 315.33                | 63.54%                                  |
| 2013-14 | 3271  | 1937                  | 59.2%                       | 5118  | 3500                  | 68.4%                       | 37108  | 25374                 | 68.4%                       | 18081  | 12363                 | 68.4%                       | 63579              | 43173                 | 67.9%                                   |

|                    |      |      |       |       |      |       |        |        |        |         |       |        |          |          |        |
|--------------------|------|------|-------|-------|------|-------|--------|--------|--------|---------|-------|--------|----------|----------|--------|
| 2014-15            | 2639 | 1316 | 49.9% | 6933  | 5860 | 85%   | 63257  | 42015  | 66.4%  | 26850   | 14955 | 55.7%  | 99678    | 64146    | 64.4%  |
| 2015-16            | 883  | 847  | 95.9% | 11092 | 5795 | 52.2% | 102331 | 53466  | 52.2%  | 37964   | 19835 | 52.2%  | 152270   | 79943    | 52.5%  |
| 2016-17            | 0    | 0    | 21%   | 6101  | 918  | 35%   | 162092 | 162743 | 24.11% | 2411398 | 6218  | 85.66% | 2579591  | 7651     | 28.55% |
| Mean               |      |      |       |       |      |       |        |        |        |         |       |        | 482734.9 | 32665.94 | -      |
| Standard Deviation |      |      |       |       |      |       |        |        |        |         |       |        | 1028908  | 34716.99 | -      |
| Co-Variance        |      |      |       |       |      |       |        |        |        |         |       |        | 213.1414 | 106.2789 | -      |

Source: IRDA annual reports from 2012 to 2017

From the Table 1.1 its can understand that the highest growth rate in 2013-14 (67.9%) and lowest value in 2016-17 (28.55%)The Mean value of Net Earned Premium is 482734.9 and The Mean value of Claims Incurred (Net) is 32665.94

able 8.2

### MAX BUPA HEALTH INSURANCE INCURRED CLAIMS RATIO IN THE YEAR OF 2011-17

| Year               | Government Sponsored Schemes including RSBY |                       |                             | Group Insurance Schemes excluding Govt. Sponsored Schemes |                       |                             | Family/Floater Insurance excluding Individual Policies |                       |                             | Individual Insurance excluding Family /Floater Policies |                       |                             | TOTAL              |                       |                             |
|--------------------|---|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--------------------|-----------------------|-----------------------------|
|                    | Net Earned Premium                          | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium  | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                      | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium | Claims Incurred (Net) | Incurred Claims Ratio (Net) |
| 2011-12            | 0   | 0                     | 0                           | 861.37  | 792.43                | 92.00%                      | 2955.27  | 1437.12               | 48.63%                      | 1276.72   | 620.86                | 48.63%                      | 5093.36            | 2850.41               | -                           |
| 2012-13            | 66.80                                       | 40.09                 | 60.02%                      | 2647.57   | 2281.66               | 86.18%                      | 7344.50  | 3509.39               | 47.78%                      | 2737.41   | 1671.29               | 61.05%                      | 12796.27           | 7502.43               | 58.63%                      |
| 2013-14            | 841   | 374                   | 44.5%                       | 4664  | 4617                  | 99.0%                       | 14362  | 6796                  | 47.3%                       | 3859  | 2235                  | 57.9%                       | 23727              | 14023                 | 59.1%                       |
| 2014-15            | 606   | 296                   | 48.9%                       | 4053  | 3435                  | 84.8%                       | 10947  | 5556                  | 50.8%                       | 15822   | 8030                  | 50.8%                       | 31427              | 17318                 | 55.1%                       |
| 2015-16            | 403   | 376                   | 93.1%                       | 2831  | 898                   | 31.7%                       | 11565  | 7532                  | 65.1%                       | 24487   | 14588                 | 59.6%                       | 39287              | 23393                 | 59.5%                       |
| 2016-17            | 3   | 1046                  | 42.5%                       | 92  | 427                   | 60.75%                      | 123745   | 422                   | 56.18%                      | 183167  | 386                   | 33.14%                      | 307007             | 2281                  | 59.94%                      |
| Mean               |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 69889.61           | 11227.97              | -                           |
| Standard Deviation |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 116815.9           | 8449.853              | -                           |
| Co-Variance        |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 167.1434           | 75.25715              | -                           |

Source: IRDA annual reports from 2012 to 2017

From the Table 1.2 its can understand that the highest growth rate in 2016-17 (59.94%) and lowest value in 2014-14(55.0%). The Mean value of Net Earned Premium is 69889.61and The Mean value of Claims Incurred (Net) is 11227.

### TABLE-8.3: APOLLO MUNICH HEALTH INSURANCE INCURRED CLAIMS RATIO IN THE YEAR OF 2011-17

| Year    | Government Sponsored Schemes including RSBY |                       |                             | Group Insurance Schemes excluding Govt. Sponsored Schemes |                       |                             | Family/Floater Insurance excluding Individual Policies |                       |                             | Individual Insurance excluding Family /Floater Policies |                       |                             | TOTAL              |                       |   |
|---------|---|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--------------------|-----------------------|---|
|         | Net Earned Premium                          | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium  | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                      | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium | Claims Incurred (Net) | Growth of Incurred Claims Ratio (Net) % |
| 2011-12 | 1632.71                                     | 920.19                | 56.36%                      | 12647.29  | 10055.51              | 79.51%                      | 8817.54  | 3286.41               | 37.27%                      | 5554.78   | 2958.51               | 53.26%                      | 28652.31           | 17220.62              | -                                       |
| 2012-13 | 3530.3                                      | 1241.30               | 35.16%                      | 16494.12  | 14445.07              | 87.58%                      | 11647.55   | 5301.91               | 45.52%                      | 10886.00  | 4953.26               | 45.50%                      | 42557.97           | 25941.54              | 60.96%                                  |
| 2013-14 | 1539  | 854                   | 55.5%                       | 16360   | 15234                 | 93.1%                       | 21784  | 11623                 | 53.4%                       | 12278   | 7474                  | 60.9%                       | 51961              | 35185                 | 67.7%                                   |
| 2014-15 | 315   | 38                    | 11.9%                       | 19405   | 16594                 | 85.5%                       | 27266  | 14901                 | 54.7%                       | 14902   | 9048                  | 60.7%                       | 61888              | 40580                 | 65.6%                                   |
| 2015-16 | 0   | 18                    | 0.0%                        | 25107   | 20857                 | 83.1%                       | 25309  | 15570                 | 61.5%                       | 21050   | 12503                 | 59.4%                       | 71467              | 48947                 | 68.5%                                   |
| 2016-17 | 0   | 0                     | 0                           | 1491  | 1178                  | 87.12%                      | 414319   | 1342                  | 76%                         | 265504  | 388                   | 81%                         | 681314             | 2907                  | 55.4%                                   |
| Mean    |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 156306.7           | 28463.53              | -                                       |

|                    |          |          |   |
|--------------------|----------|----------|---|
| Standard Deviation | 257630.7 | 16718.01 | - |
| Co-Variance        | 164.8238 | 58.73485 | - |

Source: IRDA annual reports from 2012 to 2017

From the Table 1.3 its can understand that the highest growth rate in 2015-16 (68.5%and lowest value in 2016-17(55.4% The Mean value of Net Earned Premium is 156306.7and The Mean value of Claims Incurred (Net) is 28463.53

**TABLE-8.4: HDFC ERGO HEALTH INSURANCE INCURRED CLAIMS RATIO IN THE YEAR OF 2011-17**

| Year               | Government Sponsored Schemes including RSBY |                       |                             | Group Insurance Schemes excluding Govt. Sponsored Schemes |                       |                             | Family/Floater Insurance excluding Individual Policies |                       |                             | Individual Insurance excluding Family /Floater Policies |                       |                             | TOTAL              |                       |   |
|--------------------|---|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--------------------|-----------------------|---|
|                    | Net Earned Premium                          | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium  | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                      | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium | Claims Incurred (Net) | Growth of Incurred Claims Ratio (Net) % |
| 2011-12            | 325.34                                      | 138.85                | 42.68 %                     | 9604.22   | 9467.60               | 98.6 %                      | 3259.21  | 906.31                | 27.81 %                     | 4949.30   | 1153.83               | 23.31 %                     | 18138.08           | 11666.59              | -                                       |
| 2012-13            | 1221.72                                     | 564.25                | 46.18 %                     | 9886.62   | 9418.07               | 95.3 %                      | 2783.74  | 1710.4                | 61.44 %                     | 8327.72   | 1619.20               | 19.44 %                     | 22219.75           | 13311.90              | 59.91 %                                 |
| 2013-14            | 1826  | 1425                  | 78.0 %                      | 22437   | 28146                 | 125.4 %                     | 6098   | 2304                  | 37.8 %                      | 7456  | 1665                  | 22.3 %                      | 37817              | 33540                 | 88.7 %                                  |
| 2014-15            | 1761  | 1795                  | 101.9 %                     | 9648  | 9561                  | 99.1 %                      | 14255  | 4006                  | 28.1 %                      | 2664  | 3539                  | 132.8 %                     | 28327              | 18901                 | 66.7 %                                  |
| 2015-16            | 1761  | 1795                  | 101.9 %                     | 9648  | 9561                  | 99.1 %                      | 14255  | 4006                  | 28.1 %                      | 2664  | 3539                  | 132.8 %                     | 28327              | 18901                 | 66.7 %                                  |
| 2016-17            | 0   | 0                     | 0                           | 8012  | 1247                  | 99 %                        | 303872   | 560                   | 24 %                        | 160694  | 143                   | 102.42 %                    | 472566             | 1950                  | 90.4 %                                  |
| Mean               |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 101232.5           | 16378.42              | -                                       |
| Standard Deviation |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 182037.5           | 10459.74              | -                                       |
| Co-Variance        |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 179.8212           | 63.86296              | -                                       |

Source: IRDA annual reports from 2012 to 2017

From the Table 1.4 its can understand that the highest growth rate in 2015-16 (90.4%) and lowest value in 2016-17(59.91%)The Mean value of Net Earned Premium is 101232.5The Mean value of Claims Incurred (Net) is 16378.42

**TABLE-8.5: RELIANCE HEALTH INSURANCE INCURRED CLAIMS RATIO IN THE YEAR OF 2011-17**

| Year               | Government Sponsored Schemes including RSBY |                       |                             | Group Insurance Schemes excluding Govt. Sponsored Schemes |                       |                             | Family/Floater Insurance excluding Individual Policies |                       |                             | Individual Insurance excluding Family /Floater Policies |                       |                             | TOTAL              |                       |   |
|--------------------|---|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--|-----------------------|-----------------------------|---|-----------------------|-----------------------------|--------------------|-----------------------|---|
|                    | Net Earned Premium                          | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium  | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                     | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium                                      | Claims Incurred (Net) | Incurred Claims Ratio (Net) | Net Earned Premium | Claims Incurred (Net) | Growth of Incurred Claims Ratio (Net) % |
| 2011-12            | 205.24                                      | 100.45                | 48.94 %                     | 9967.55   | 9557.04               | 95.88 %                     | 5303.75  | 5735.11               | 108.13 %                    | 949.74  | 638.63                | 67.24 %                     | 16426.28           | 16031.23              | -                                       |
| 2012-13            | 2101.61                                     | 1824.81               | 86.83 %                     | 10751.46  | 10527.36              | 97.92 %                     | 4753.83  | 5736.01               | 120.66 %                    | 1044.66   | 846.40                | 81.02 %                     | 18651.57           | 18934.58              | 101.52 %                                |
| 2013-14            | 13078                                       | 12041                 | 92.1 %                      | 13326   | 14219                 | 106.7 %                     | 4452   | 4875                  | 109.5 %                     | 1660  | 2344                  | 141.2 %                     | 32516              | 33478                 | 103.0 %                                 |
| 2014-15            | 20463                                       | 20880                 | 102.0 %                     | 13864   | 15651                 | 112.9 %                     | 2920   | 4997                  | 118.8 %                     | 1390  | 2163                  | 135.0 %                     | 38637              | 43691                 | 108.9 %                                 |
| 2015-16            | 24931                                       | 21056                 | 84.5 %                      | 16883   | 20024                 | 118.6 %                     | 4605   | 6367                  | 138.3 %                     | 1499  | 374                   | 24.9 %                      | 47919              | 47821                 | 99.8 %                                  |
| 2016-17            | 46  | 6854                  | 79.3 %                      | 1800  | 1800                  | 102.8 %                     | 20366  | 51875                 | 162.6 %                     | 5202  | 26904                 | 21.36 %                     | 80625              | 8864                  | 92.4 %                                  |
| Mean               |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 39129.11           | 28136.6               | -                                       |
| Standard Deviation |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 23570.72           | 15878.26              | -                                       |
| Co-Variance        |   |                       |                             |   |                       |                             |  |                       |                             |   |                       |                             | 60.23              | 56.432                | -                                       |

Source: IRDA annual reports from 2012 to 2017

From the Table 1.5 its can understand that the highest growth rate in 2014-15 (108.9%) and lowest value in 2016-17(92.4%). The Mean value of Net Earned Premium is 39129.11The Mean value of Claims Incurred (Net) is 28136.6

## 9. FINDINGS OF THE STUDY

- From the Table 1.1 its can understand that the growth Rate of health insurance schemes Incurred Claims Ratio that health insurance company has highest growth rate in 2013-14 (67.9%) and lowest value in 2016-17 (28.55%)The Mean value of Net Earned Premium is 482734.9 and The Mean value of Claims Incurred (Net) is 32665.94
- From the Table 1.2 its can understand that the growth Rate of health insurance schemes Incurred Claims Ratio that health insurance company has highest growth rate in 2016-17 (59.94%) and lowest value in 2014-14(55.0%). The Mean value of Net Earned Premium is 69889.61and The Mean value of Claims Incurred (Net) is 11227.97
- From the Table 1.3 its can understand that the growth Rate of health insurance schemes Incurred Claims Ratio that health insurance company has highest growth rate in 2015-16 (68.5%and lowest value in 2016-17(55.4% The Mean value of Net Earned Premium is 156306.7and The Mean value of Claims Incurred (Net) is 28463.53
- From the Table 1.4 its can understand that the growth Rate of health insurance schemes Incurred Claims Ratio that health insurance company has highest growth rate in 2015-16 (90.4%) and lowest value in 2016-17(59.91%)The Mean value of Net Earned Premium is 101232.5The Mean value of Claims Incurred (Net) is 16378.42
- From the Table 1.5 its can understand that the growth Rate of health insurance schemes Incurred Claims Ratio that health insurance company has highest growth rate in 2014-15 (108.9%) and lowest value in 2016-17(92.4%). The Mean value of Net Earned Premium is 39129.11The Mean value of Claims Incurred (Net) is 28136.6

## 10. SUGGESTIONS

- Encouraged by IRDA( Insurance Regulatory Development Authority) by providing subsidies to increase the level of premium
- Provide financial incentives of policy holders.
- Liberal financial assistance should be available to the growers in the form premium loans and development loans
- Provide assistance for eliminating the risk of life towards the nominees.

## 11. CONCLUSION

The health insurance companies should come out with clear cut policy details, as many of the respondents had vague ideas about the various benefits and risks involved in a policy. The middle and low socio-economic groups are a potential market to be tapped as they are ready to spend a reasonable amount as premium payable per annum rather than huge medical expenses in case of any adversities. If the private insurance players want to venture in the market, they should try to mbibe trust in the people as most of the respondents preferred government health insurance schemes, the reason being guarantee for their capital. To develop a viable health insurance scheme, it is important to understand people's perceptions and develop a package that is accessible, available, affordable and acceptable to all sections of the society.

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## E- MARKETING STRATEGIES FOR ORGANIC FOOD PRODUCTS

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### ABSTRACT

*The ongoing advancements in innovation assumes essential job in our general public. Nowadays the E-promoting assumes a fundamental job in purchasing of natural sustenance from the market. The senders who are utilizing this innovation are getting more benefit on advertising. It is spread over the whole world or over the globe the procedure of E-Marketing. E-Marketing obviously from wherever of any nation we can purchase natural sustenance items in internet. This examination concentrates how the natural nourishment items are advertised by means of E-Marketing strategies. The notoriety meets the client needs relying upon their taste and inclinations. A large portion of the organizations are utilizing this E – promoting and through that they are drawing in the clients and inciting them to purchase the natural diet items in on the web. The specialist has dissected the different web-based interfaces in India that are assuming transcendent job in moving the natural nourishment items and how they are showcased the web based life.*

*Keywords: E – Marketing, Organic Food Products, Benefits and Potential Elements.*

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### INTRODUCTION

Organic food is delivered by strategies that consent to the gauges of natural cultivating. Gauges fluctuate around the world, yet natural cultivating when all is said in done highlights rehearses that endeavor to cycle assets, advance environmental equalization, and ration biodiversity. Associations managing organic items may confine the utilization of specific pesticides and composts in cultivating. At the point when all is said in done, characteristic sustenance are in like manner generally speaking not readied using light, mechanical solvents or built sustenance included substances. Natural nourishment generation is a self-directed industry with government oversight in a few nations. His most critical explanation behind acquiring natural sustenance is by all accounts convictions about the items wellbeing giving properties and higher healthy benefit. These convictions are advanced by the organic food farm, and have filled expanded interest for natural sustenance regardless of more expensive rates and trouble in affirming these guaranteed advantages deductively. There is far reaching open conviction that natural sustenance is more secure, progressively nutritious, and preferred tasting over traditional food which has to a great extent added to the advancement of a natural nourishment culture. Customers buy natural nourishments for various reasons, including worries about the impacts of traditional cultivating rehearses on the earth, human wellbeing, and creature happiness.

Natural sustenance generation has a one of a kind preferred standpoint and in that they consolidate a portion of the guidelines and wellbeing confirmations. Various natural items appreciate the upside of supply chains that are shorter and will in general have the direct data and assets of e-promoting. Natural sustenance binds stretch the open doors for work force collaborations vanish. Natural buyers are essentially somewhat spurred. E-Marketing Organic nourishment has moved from the larger part advertise. Since natural ranch issues the cost esteem, supply and promoting process have pulled in expanding customer fascination and proprietor of speculators through online systems utilized the showcasing. From various perspectives every one of the three issues are recognizably entwined. Retail valuing strategies will clearly convince the speed moving volume, which ranchers and nourishment makers will trade the moving exercises like purchaser require natural item so in the time look through the site in portable, deal with numerous homesteads in our limits in web then purchaser select the organization and purchasing request click. Enter the portable number and territory PIN code, cultivate was sending the OTP number in our versatile number. Next affirmation rub conveyed the specific days in real money on convey the items. The retailers' capacity to ensure an expanding dimension of value supplies will impact both estimating and advertising approaches and systems.

### REVIEW OF LITERATURE

**Peter Jones et al (2001)** in their article entitled "Retailing organic foods" observed that characteristic foodstuff retail commercial center is unmistakably a differed one with an open scope of players are hoping to fulfill upward buyer needs. Every one of these players faces their own particular vital and furnished administration and showcasing challenges yet various wide-going issues can be recognized. For the most part the cost of natural nourishment has been higher than those of their regular partners.

**Henri Simula et al (2009)** in their paper entitled "Managing greenness in technology marketing" concluded that in powerful green showcasing practice depends on creating or applying the most

reasonable green innovation and making inventive applications and items dependent on that innovation. What's more, innovation choice naturally affects the green properties of a last item. This exploration expects to build comprehension of what greenness really is, its difficulties and advantages, and how organizations, as capable performing artists, can capitalize on creating, assembling and promoting reasonable answers for advantage firms, the earth and society by and large.

**Atanasoae (2011)** in this paper entitled “Distribution channels on the organic foods market” observed the vast ranches that create crops that require remarkable capacity surroundings it is recommended the utilization of diagonal circulation channels, through which can be sold extensive amounts of merchandise. These channels are the grocery stores, natural shops specific, processors and different middle people. A few buyers need a closer connect with makers, need to hear the account of the item since they put their trust in the individuals who deliver and move these items, and certainty is second rate if the firm is significantly further away.

**Arabska (2014)**, in their article entitled “Marketing Strategies in Organic Production in Bulgaria” conclude that consistence of natural creation to feasible advancement and the change buyer conduct and request towards sound and safe nourishment isn't sufficient. Market costs are a key component in the buy choice made by clients on one hand, and in the generation choice made by makers on the other. The simple directly to use to overall markets and great acquire costs of crude materials forms the division in the nation send out arranged. The investigation presents and talks about some critical issues on the natural homestead productivity and the impact of the European and the state bolster.

**Jasur Hasanov, Haliyana Khalid (2015)** in their article entitled “The Impact of Website Quality on Online Purchase Intention of Organic Food in Malaysia: A WebQual Model Approach” observed that website quality has an oblique effect on the online purchase purpose of organic food products, practitioners should also make parallel the quality of their online stores with customers' expectations. To increase the level of online purchase intention, e-retailers of organic food should acquire relevant marketing strategies which include creating awareness on the benefit of organic food to the public, establishing affiliates network and conducting constant promotions to their objective audience. It is important to understand that website quality is not the only decisive factors that could increase consumer purchasing target. Other qualities such as good customer service, efficient product distribution and logistics and also activist reviews from customers also play an important responsibility.

### OBJECTIVES OF THE STUDY

- ✓ To study on e-marketing strategies for organic food products.
- ✓ To determine the Benefits Digital Marketing Strategies for Organic Food Products.
- ✓ To examine the Potential Elements in Organic Food Systems.
- ✓ To find out the SWOT Analysis.

### RESEARCH METHODOLOGY

The present study is based on secondary sources. The secondary sources were collected from books, published reports, journals, articles and the internet.

### ROLE OF E-MARKETING STRATEGIES FOR ORGANIC FOOD PRODUCTS

E- Marketing is cost- effective in today's uncertain economy. Internet is just another tool which is very powerful and cost effective tool with new set of rules and opportunities. E-marketing is said to be the web based marketing, customer relationship management and marketing automation. The four P's of E-marketing are: Personal, Perceive, Permission and Privacy.



### SWOT Analysis

A SWOT (strength, weakness, opportunities, and thetas) analysis is an ideal way to understand the organic food products.

A SWOT (strength, weakness, opportunities, and thetas) analysis is an ideal way to understand the organic food products.

There should be a purpose in mind behind the SWOT analysis. We should analysis the organic food products. A SWOT analysis is the part of situational analysis and identifies the key issue which directs the E-Marketing.

|  |   |
|--|---|
| <b>STRENGTH</b> <ul style="list-style-type: none"> <li>➤ Easy to connect the customer</li> <li>➤ Easy to verification on consumer</li> <li>➤ Lowest cost</li> <li>➤ Times saved (24*7)</li> <li>➤ Attractiveness</li> <li>➤ Better Price</li> <li>➤ Alternative choose</li> <li>➤ Best offers</li> </ul> | <b>WEAKNESS</b> <ul style="list-style-type: none"> <li>➤ Network problems</li> <li>➤ Not attractive advertising</li> <li>➤ Higher than price</li> <li>➤ Not proper rules</li> <li>➤ Lie sales</li> <li>➤ No bargaining</li> <li>➤ Delivery time more</li> <li>➤ Not suitable in rural area</li> </ul> |
| <b>OPPERTUNITIES</b> <p>Customer Choose</p> <p>Alternative Brand</p> <p>Connect to always network</p> <p>customer care services</p> <p>Repayable to the insurance amount</p>   | <b>THREATS</b> <ul style="list-style-type: none"> <li>➤ Fake companies</li> <li>➤ Missing the money</li> <li>➤ Fake branded companies</li> <li>➤ Wrong information give to consumer</li> <li>➤ Unauthorized agency acting</li> </ul>  |

### II.BENEFITS DIGITAL MARKETING STRATEGIES FOR ORGANIC FOOD PRODUCTS

- Help you Connect with Consumers on the Internet
- Generates Higher alteration Rates for organic food stores
- Saves Your Money from inappropriate marketing tactics.
- Enables Real-Time Customer Service
- Connects You with the movable Consumer
- Helps produce Higher Revenues
- Delivers Higher ROI from Your Campaigns
- Keeps You at Par with Competitors
- Help You participate with Large Corporations
- Prepares You for the Internet of Things

### III. POTENTIAL ELEMENTS IN ORGANIC FOOD SYSTEMS

The important aspects in explaining the organic food products function is the development in character of the organic system and the associated cost of sunning the organic farming.

Table.1 gives the overview of a no. of important elements in organic feed system and dimensions with the individual element.

**Table-1: Potential Elements in Organic Food Systems**

| System Activity             | Important Dimensions | Possible Choices                     | Relative Cost Associated with the Choice |
|-----------------------------|----------------------|--------------------------------------|--|
| Production of Raw Materials | Scale of Production  | Small Scale, Optimal Scale and Scope | High Unit Cost & Low unit cost           |
| Storage and                 | Quantity, Size and   | Small Scale, Optimal Scale           | High Unit Cost & Low unit                |



|           |               |               |                                   |
|-----------|---------------|---------------|-----------------------------------|
| Logistics | Place         | and Scope     | cost                              |
| Mechanism | Technology    | No Processing | No Cost<br>High Cost<br>Low Cost  |
| Service   | Ready for use | Low , High    | Small Unit Cost<br>High Unit Cost |

### CONCLUSION

E-marketing methodology for particularly basic occupation in the correspondence with the market. All the common estate was opening the site, email, application programming in the farm so reliably stream the expense of things, gauge, stamp name, prosperity direction and offer expense and nuances are report the regular. Client reliably watch to the common things develop application will purchase the measure of things and organizations. Disposition is that they camouflage the costs of agriculture and offers various diverse preferences related to prosperity, condition and natural enhancement. One of the various limits that block promotes enhancement of regular sustenance things is the availability of respectably low on market. E-publicizing methodology Communication should focus on the sanogenetic character and characteristic of the things. All of these decisions pass on certain reparation and deterrents and the pick should be established on segments, for instance, develop measure, express of age, the dimension of market headway and farm zone.

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**GREEN MARKETING: IMPACT OF THE AGRICULTURE PRODUCTS**

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**ABSTRACT**

*Green promotion is closely connected with society. It was effective utilization on social awareness of the whole marketing. Every element of purchaser about as regards to the product analysis and access the management. This concept was how to better change the best environment of study area. Whole agriculturists were how to aid the environment and safety regulation of the eco- managerial used to fertilizer, packaging, advertising, transporting in the time consider for the environment. Many farmer not consider to the atmosphere, highly include the inorganic fertilizer, pesticides, damage the land from other use, and same product will be continuously production of same land. Fastidious farmer was continuously good manure used for production of agriculture product so in the time same concept of advertising follows the farmers. Advertising prepare the marketing of organic or inorganic products. Consumer search to the organic product in the time cover adverting style but asymmetry of the farmer products. Consumers are whole world cover the marketing oriented distribution of the products. "SMALL DROPS MAKE A GREAT OCEAN" that word is best in Tamil Culture. The word in following all consumers connects to the marketing in single concept. These studies centrally cover the green marketing of the agriculture products. Customer royalty determine the study objective.*

*Keywords: Green washing, green administration, green advertising, challenges and opportunities of agriculture products*

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**INTRODUCTION**

This would reasonably go well for a creating country like India where the two customers and makers are getting cognizant step by step because of the ramifications of an Earth-wide temperature boost, non-biodegradable strong waste, destructive effect of contamination and so on gave this does not go for Green washing wherein when an organization or association invests more energy and cash professing to be green through promoting and showcasing than really actualizing business rehearses that limit ecological effect of farming nature. The examination has concentrated on the present green advertising rehearses in moving farming items.

Despite the fact that showcase move distinctive kinds of general brands and store brands of farming item like meat, fisheries, vegetables, organic products, grains, milk, dairy items, egg and poultry items and so on., this investigation just thinks about the promoting of agrarian item. That implies just green result of the farming things which the move the claim items showcase. Next to this, the mindfulness and recognition dimension of the executives is customers were distinguished by perception and through web overview on the diaries, articles, sites. Farming is demographically the broadest financial part and assumes a huge job in the general financial texture of India. Green items have turned out to be progressively noteworthy as our worldwide town grows and open worry for nature increments.

Inside this specific circumstance, organizations ceaselessly structure and deliver greener items just as advance these items alongside their image pictures by conveying their greenness to clients through different channels. "Eco-marking" is a viable methodology for advising the clients about how green the organization items are. Outsider associations regularly issue eco-marks. Green products emanate from product-related decisions and actions that aim to preserve or benefit the natural environment through energy and/or resource conservation as well as pollution and waste reduction. These products are considered efficient they save water, energy or gas, and money. Green products have less detrimental effects on the environment. They have environmentally friendly packaging and green, evidence-backed labels. Thus, companies should ensure that products meet or even exceed customer expectations and, at the same time, remain cognizant of environmental issues.

Green marketing likewise involves promoting the material of a business. Sales promotions, direct marketing, public relations, and advertising are some of the means of conveying to the customers the core message of greenness; the latter two approaches are the most extensively used platforms for projecting the green outlook of agriculture. Agriculture can help moderate hothouse gases through carbon impounding as soil can capture and attract carbon and offset emissions from farming and other sectors. For example, greenhouse gas emissions related with livestock could be offset by capturing the carbon in pastureland.



### NEED OF THE STUDY

In this day and age quality items and safe condition, both are similarly imperative to accomplish consumer loyalty. Agriculture may lose numerous unwavering and productive clients and shoppers because of nonappearance of green administration. In a nation like India, Agriculture can assume a noteworthy job in advancing green advertising in the most ideal way as farming is very identified with condition and nature. Motivate the green fertilizer used to the farming process. Free cost of counseling to the farmer, loan available, selling opportunities give to farmer, agriculture awareness, optimum utilization of water management, zero planning agriculture training programmed, encourage the green based agriculture products manufacturing the farmer. If a product has a low environmental impact, it is regarded as an environmentally sustainable agriculture product. Another definition of an environmentally sustainable agriculture product, for consideration in the earth, is that organic agriculture products should be readily available for purchase and include those supplied by the market with a reputation for reducing environmental impacts from their production processes.

Environmental convention and values may require increased investments to comply with production and processing rules, raising farmers' costs and affect competitiveness in the short-term. The impact of regulatory costs on farmers can be reduced by improved management approaches and technology. An increasing number of regulatory requirements obtain from state, provincial, regional or local dealings. Regulations generally need to be adapted to specific farming systems and the local nature of environmental concerns as a one-size-fits-all requirement may be neither environmentally efficient nor economically resourceful.

### REVIEW

**Masum, Amin & Naeema (2012)**, in their article entitled "Marketing for Agricultural Products Offered by Super Shops in Bangladesh" observed that now-a-days customers are more conscious about the use of harmful chemicals in the production, preservation and sales of agricultural products. Green marketing is the process of satisfying the needs and wants of customers in a way which can bring benefit or profit for both the provider and the society by reducing detrimental impact on the natural environment. Green marketing is the process of satisfying the needs and wants of customers in a way which can bring benefit or profit for both the provider and the society by reducing detrimental impact on the natural environment by providing less environmental harmful and/or more environment friendly product to the consumers.

**Janarthanan Bharanitharan (2012)**, in their paper entitled "Green Marketing in India: Emerging Opportunities and Challenges" introduced that These same consumers through their concern are interested in integrating environmental issues into their purchasing decisions through their incorporation into the process and content of the marketing strategy for whatever product may be required. This paper discusses how businesses have increased their rate of targeting green consumers, those who are concerned about the environment and allow it to affect their purchasing decisions. The paper identifies the three particular segments of green consumers and explores the challenges and opportunities businesses have with green marketing. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

**Maheshwari (2014)**, in their paper entitled “**Awareness Of Green Marketing And Its Influence On Buying Behavior Of Consumers: Special Reference To Madhya Pradesh**” conclude this paper has highlighted various aspects of consumer behavior and shown that consumer preference for greener goods could be influenced by marketing. Products given greater exposure will be more likely to sell in greater numbers. Pro-environmental values are more likely to result in more pro-environmental behavior when values and beliefs are specific enough, the green action aligns with consumers’ subjective interests, and product attributes are positively perceived. A major barrier in the purchasing of green products is: concern over whether the product will perform as expected.

**Priya (2015)**, in their article entitled “**Impact of Agriculture on Green Marketing “Green marketing- a reality to a few some and a strategy to many others”**” observed the government should also concentrate on the promotion of input markets. Central government is also promoting the production and use of bio-fertilizer to make it popular. Government has initiated a project “National Project on Development and Use of Bio fertilizers” for this purpose. Main objectives of this project production and distribution of bio-fertilizers, developing Standards and quality control, releasing of grants for setting up bio-fertilizer units and finally training and publicity.

**Eneizan & Wahab (2016)**, in their paper entitled “**Effects of Green Marketing Strategy on the financial and Non-Financial Performance of Firms: A Conceptual Paper**” explain that green marketers must utilize green marketing and communication tools and practices to reinforce their environmental credibility. Several companies have adopted this guideline. Consumers with a preference for green products tend to be more receptive to direct marketing channels. To establish its positive image, a firm can specifically employ public relations. Promotion is a vital element of the main green marketing mix; it refers to the communication process that aims to build a relationship with customers by informing and persuading them to purchase green products. Moreover, promotion seeks to connect the firm with its customers and transfer its orientations and environmental image to them via product- or service-related marketing messages.

**Candice Stevens(2011)**, in their paper entitled “**Agriculture and Green Growth**” observed that Green Growth policies which place a quality on environmental protection may constrict agricultural output, reduce universal food security and entail adjustments in the use of human, financial and natural resources. The implications of Green Growth for agriculture in the longer-term are mutually-reinforcing in terms of environmental sustainability, financial growth and social well-being. Green Growth will be at risk if the agricultural sector fails to provide sufficient food, feed and fiber for the escalating global population. Advances in agricultural technology should yield productivity increases in most countries, but new technologies must be reasonable, compliant to different farming systems and geared to green safeguard.

## **OBJECTIVE**

- i. To study performance on agriculture products.
- ii. To analysis challenges and opportunities of agriculture products.
- iii. To determine the marketing problems of agriculture products
- iv. To examine the types of advertising in agriculture products.

## **METHODOLOGY**

This research is mainly descriptive in nature. Secondary sources of data have been used for this Secondary data has been collected from different published sources like books, journals, newspapers and magazines, and web sites.

## **PERFORMANCE ON AGRICULTURE PRODUCTS IN GREEN MARKETING**

Green marketing which is based on regarding and defending nature, all forms of life and the reliability of society. It grounded on the efficient utilization of limited nature sources without creating new areas of consumption green products. It seeks out alternatives that reduce environmental pollution created by industry and promote the use of environmentally friendly products, keeps packaging processes to a maximum and promote awareness of recycling in society. Consumer using their free choice right for the products and services slightest hurtful the resources will be at their own benefit. More open agricultural markets will assist the allocation of technologies and innovations encouraging of Green Growth. Barriers to trade in green goods and services are tranquil important obstacles to the circulation of cleaner technologies in agriculture.

## **Green Marketing as a Prospect to Reach Their Goals**

- Using their environment related activities as a pressure element on agriculture being rivaled in production of agriculture.

- Being aware of the cost lowering effects such as effective use of resources and recycling studies.
- Believing that they induce their morals by showing warmth to the environmental issues.
- The obligations for complying with rules and practices about the environment of various rural parties.
- Co-ordinate the farmer parties motivation of the green based production in agriculture.

### **CHALLENGES OF GREEN AGRICULTURE PRODUCTS**

- (i) Current social and economic asymmetry and political suspicions about combat and conflicts.
- (ii) Reservations about the ability to sustainably produce and foyer sufficient food.
- (iii) Uncertainties about the prospect of consumer food prices.
- (iv) Changes in the money matters of vestige based energy use.
- (v) The surfacing of new competitors for natural resources.
- (vi) Increasing not harmful fertilizer that used the agriculture so in the time is partially a consequence of poor nutrition and poor food quality as well as not food safety the products.
- (vii) Changing environmental situation and the rising alertness of human responsibility for the maintenance of universal ecology services.

### **PROBLEMS**

- ✓ Lack of market information in general and organic market information in fastidious is biggest drawback for Indian agriculture. The present in sequence base is low and even the limited information available does not get distributed due to lack of sufficient channels for dissemination. As a result farmers are in a predicament as they are unable to attune their production practices as per the market changes. Marketing network specifically for organic products has not yet developed both in the marital as well as export market. Quality of Indian food industry is always a limitation for growth, short immovability
- ✓ Quality and corruption in food products is an obstacle in capturing the available market especially the international market. Given the high levels of transaction costs for getting farms certified as organic Agriculture products.
- ✓ A major prevention for attractive organic production in the country. Government has shown limited interest for organic agriculture, though the
- ✓ Activities from government side are escalating but till date there is no direct support from management side in terms of subsidy or market sustain towards organic agriculture. Lack of proper infrastructure in terms of roads from remote villages, arctic storage.
- ✓ Facilities and slow transportation infrastructure affects the cost, quality and reach of producers and Indian organic agriculture is very scrappy and there are no organizations.
- ✓ Administration the whole values attach of organic products but certain level of chemicals includes that product. In the situation in consume the consumer affected.

### **TYPES OF ADVERTISING IN AGRICULTURE PRODUCTS**

Agriculture products purplish the numerous different advertising options out there for agricultural buyers and suppliers, whether you're looking to launch a brand new product to the market, or are just looking for a new way to advertise an already successful one, this list should give you a good place to start on where to advertise.

#### **Print media**

Magazines and newspapers make available a very large, often traditional, audience to get your products in front of, with an established track record. Adverts can give an enormous amount of experience, and are brilliant for new product launches where there is a concern about brand recognition or for mass marketing.

#### **Classifieds**

The classifieds section of agricultural magazines such as Farmers Weekly provide a very specific audience – an audience looking to purchase and selling the agriculture related products. This is perfect if you're trying to sell a product that is well-established, and the need for said product is well known among your target audience.

#### **Face to face**

You can get your product right in front of the customer – if your product is something that needs to be verified to be understood, this might be the best course of deed. This relies on your capacity to sell your product and you know immediately if your tactics have worked.

**Internet**

The viewers of your internet-based advertising can be as wide or specific as you would like. You can beat all farmers in the nation or just those in your local area. Spend can also be varied depending on your finances, so no amount of money can be 'too little' in regards to internet advertising. It also gives you considerable and experimental statistics from which you can learn about the most effective techniques.

**Radio**

Radio is once again a very broad-hitting advertising canal and as outcome is rarely used in agriculture. Depending on how you spend your money, you could be beating tens of thousands of people. But if you run a farm supermarket or petting farm, radio might be the right fit if lots of people in the local area listen to a regional radio programmed.

**Promotional item giveaways**

Promotional items give business potentially enormous amounts of brand awareness. Contrasting many of the additional channels on this directory, promotional items may maintain to have an effect long after you have stopped producing them.

**Social media**

Social media provides a shining way to influence an audience outside of 'traditional' advertising revenues. Social media is increasingly becoming included into people's daily lives and they look at it multiple times a day. When done correctly, social media can bring your marketing and sales messages to an audience through a believable feed.

**CONCLUSION**

Green marketing is a tool for protecting the environment for the future generation. It has a positive impact on environmental safety. Because of the growing concern of ecological protection, there is a surfacing of a new market which is the green market. For companies to endure in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliant and are willing to pay a premium for a greener living approach. As such, green marketing is not just an environmental protection tool but also, a promotion strategy.

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**EMPIRICAL STUDY ON ROLE OF IT WOMEN EMPLOYEES AND WORK LIFE BALANCE WITH RESPECT TO CHENNAI, TAMILNADU, INDIA**

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**ABSTRACT**

*This study was undertaken to identify is it possible to balance their work and life by the IT women employees with respect to Chennai, Tamilnadu, India. Data were collected from 180 IT women employees working in Chennai IT companies by convenience sampling method and the descriptive research design was followed. The collected data were analysed and interpreted using the SPSS 17.0. The findings showed that IT women employees found difficult to balance their work and life due to non-supporters in the family, More working hours, Less support from Superiors and subordinates and so on. Finally the concluded that the key challenges in professional work life were found to be less support from the superiors and subordinates. In personal life, if supporters were in the house they were able to manage their work and life .This study will help the top management of IT companies to frame policies to satisfy and retain the talented women employees.*

*Keywords: IT (Information Technology) women employees, Work life balance, Work pressure, Work factors, Demographic factors.*

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**INTRODUCTION**

Work-life balance is a concept that describes the ideal of splitting one's time and energy between work and other important aspects of their life. Achieving work-life balance is a daily challenge. It can be tough to make time for family, friends, community participation, spirituality, personal growth, self-care, and other personal activities, in addition to the demands of the workplace. Because many employees experience a personal, professional, and monetary need to achieve, work-life balance can be challenging. Employers can help employees achieve work-life balance by instituting policies, procedures, actions, and expectations that enable them to pursue more balanced lives, such as flexible work schedules, paid time off (PTO) policies, responsibly paced time and communication expectations, and company-sponsored family events and activities.

Work-life balance reduces the stress employees experience. When someone spends the majority of their days on work-related activities and feel as if they are neglecting other important components of their lives, stress and unhappiness result. An employee, who doesn't make time for self-care, eventually damages their output and productivity. The workplace that enables employees to achieve work-life balance is particularly motivating and gratifying to employees, which makes them happy. And happy employees, whose needs for work-life balance are achieved, tend to stay with their employer and are more productive.

It mainly impacts on several aspects such as employee retention, reduced absenteeism, increased motivation and productivity. Imbalance of these affects the physical and psychological wellbeing of employees. The role of an individual and organization are very important in this to maintain the balance between work and home. Good work life balance is more important for women than for men as she has to manage home and office at a time as she is the real home maker. This study was conducted to find out is it possible for the IT women employees to balance their work and life with respect to Chennai, Tamilnadu, India.

**REVIEW OF LITERATURE**

Cooper (1999) found that new working methods and technological advances have changed the nature of many jobs. Fisher and Layte (2003) identified three distinct sets of measures of work-life balance. They are Leisure time, the over-lap of work and the time expended with other people. Goggin's (1991) identified that an approach to work and family that includes all parties and shared responsibility will yield greater results in both domains than solutions created in isolation. Poonam Sharma (2015) studied the work - life balance of women employees employed in banking segment of India Work and identified job targets results in work pressure and that results in difficult to maintain a family life in a balanced way. Rochita (2010) found that work life balance brings job satisfaction to the employees. Bachmann (2000) identified that work environments such flexi-working hours, work from home can improve person's interest towards job.

Most importantly Valcour and Hunter (2005) found that while working from home person can work longer timings than in their office because they are working even in holidays and late nights. Marcinkus (2007) found that, there is an optimistic association in work-based support such as job gratification, organizational promise and career attainment. Normala and Daud (2010) determined that work life balance of employees is an

important consideration for employers interested in improving employees' job satisfaction and commitment. Panisoara and Serban (2013) in examined the impact of marital position on work-life balance and found that due to stress prevailing in the organisation married women are not able to get conceive.

### RESEARCH OBJECTIVES

- ❖ To analyse the work life balance of IT women employees Chennai city.
- ❖ To assess the impact of work life balance on Job satisfaction among IT sector women employees in Chennai.
- ❖ To compare the relationship between work factors such as Superior Subordinate Relations, Working Hours, Welfare facilities provided by the Company of the respondents on the work life balance of IT women employees with respect to Chennai city.

### HYPOTHESIS OF THE STUDY

Some of the Survey questions were converted into the following hypotheses.

**H1:** There is no significant relationship between the Work life balance and Job Satisfaction of IT women employees with respect to Chennai, Tamilnadu, India.

**H2:** There is no significant relationship between the work factors and the Work life balance of IT women employees with respect to Chennai, Tamilnadu, India.

### RESEARCH METHODOLOGY

Data were collected from 180 IT women employees working in 5 different IT companies located in Guindy, Chennai by convenience sampling method and the descriptive research design was followed. The collected data were analysed and interpreted using the tool SPSS 17.0.

### RESULTS BASED ON ANALYSIS AND INTERPRETATION

**Table-1: Demographics of the Respondents**

| The Demographics of the Respondents | Particulars        | No.of. Respondents | Percentage % |
|-------------------------------------|--------------------|--------------------|--------------|
| Age of the Respondents              | Less than 25 Years | 40                 | 22           |
|                                     | 26-30 Years        | 20                 | 12           |
|                                     | 31-35 Years        | 87                 | 48           |
|                                     | Above 35 Years     | 33                 | 18           |
| Education of the Respondents        | UG                 | 98                 | 55           |
|                                     | PG                 | 82                 | 45           |
| Marital status of the Respondents   | Married            | 88                 | 49           |
|                                     | Unmarried          | 92                 | 51           |
| Supporter in the Family             | Yes                | 102                | 57           |
|                                     | No                 | 78                 | 43           |

Source: Primary Data

### Inference

For this research, total of 180 IT women Employees from Chennai were selected from different IT companies all over Chennai. The age-group of the respondents were divided into 4 categories such as Below 25 years of age {22% Respondents}, 26 years to 30 years of age {12% Respondents}, 31 to 35 Years of age {48 % Respondents}, and above 35 years of age {18% Respondents}. Among all IT employee's majority of them {55%} are Under Graduate About {88} respondents are married. Majority employees {102} are having Nuclear family structure.

**Table-2: Showing the data reliability statistics**

| Reliability Statistics |            |
|------------------------|------------|
| Cronbach's Alpha       | N of Items |
| .87                    | 12         |

From the above table the validity of the collected data was checked by the reliability test. The Cronbach Alpha value for the collected data was 0.87 that shows that the data collected was consistent. 12 Questions in the questionnaires were framed using Likert's scale.



**Table-3: Work factors influence on Work life balance of the Respondents**

| Influence of Work factors among the Respondents | Particulars         | No.of Respondents | Percentage % |
|---|---------------------|-------------------|--------------|
| Nature of the organisation                      | Employee centered   | 20                | 12           |
|   | Production centered | 160               | 88           |
| Relations with the Superiors and Subordinates   | Good                | 120               | 66           |
|   | Bad                 | 60                | 34           |
| Working Hours                                   | Rigid               | 110               | 61           |
|   | Flexible            | 70                | 39           |
| Welfare facilities                              | Good                | 78                | 43           |
|   | Bad                 | 102               | 57           |

Source: Primary Data

**Inference**

About 12 % of the IT companies are employee centered and 88% are production centered i.e. work centered. 34 % employees said that they are having Bad work relations with their subordinates. 61 % of respondents replied that they are working with the rigid work timings. Concerning the welfare facilities provided by the organisation 43% are satisfied and 57 are not satisfied with the organisations. All the above results show that, respondents are facing struggle in managing their work and life but for the salary they are working.

**Table-4: Managing Personal and professional work life among IT women Employees of Chennai**

| Managing Personal and professional work life | No.of. Respondents | Percentage |
|--|--------------------|------------|
| Yes  | 66                 | 37         |
| No   | 114                | 63         |
| <b>Total</b>                                 | <b>180</b>         | <b>100</b> |

Source: Primary Data

**Inference**

The results showed that Majority of the respondents {63%} are not able to manage their work and life in a balanced way and hence found that how employees are struggling in managing their personal life with their work.

**Table-5: Showing the relationship between the Work factor Superior and Subordinate Relations and the work life balance tested using regression analysis**

| Coefficients <sup>a</sup> |                                    |                             |            |                           |        |      |
|---------------------------|------------------------------------|-----------------------------|------------|---------------------------|--------|------|
| Model                     |                                    | Unstandardized Coefficients |            | Standardized Coefficients | T      | Sig. |
|                           |                                    | B                           | Std. Error | Beta                      |        |      |
| 1                         | (Constant)                         | 3.065                       | .013       |                           | 15.245 | .000 |
|                           | Superior and Subordinate Relations | -.001                       | .002       | -.001                     | -.013  | .001 |

a. Dependent Variable: Work life balance

**Inference**

The results from the regression analysis revealed that the independent variable, Superior and Subordinate Relations and the dependent variable Work life balance among IT women employees of 5 different IT companies located in Guindy, Chennai. The survey results were analysed using the t-test multiple regressive model. The results showed that the Superior and Subordinate Relations has significant effect in Work life balance. The results showed that dependent variable came out to be significant.

**Table-6: Showing the relationship between the Work factors and the work life balance using Chi-Square test**

| Work factors                                  | Level of Significance |
|---|-----------------------|
| Nature of the organisation                    | 0.000                 |
| Relations with the Superiors and Subordinates | 0.000                 |
| Working Hours                                 | 0.000                 |
| Welfare facilities                            | 0.000                 |

Source: Primary Data

**Inference**

To test relations between the Work factors such as Nature of the organisation, Work Relations with the Superiors and Subordinates, Work timings, Welfare facilities provided by the organisation to the respondents, Chi-square test was used. The obtained Level of Significance values are significant with all the Work factors and hence accept the null hypothesis and proved that there is a significant relationship between the Work factors of the IT women employees of Chennai and the Work life balance of IT women employees with respect to Chennai, Tamilnadu, India.

**CONCLUSION**

This article examines the work life balance of IT women employees with respect to Chennai, Tamilnadu, India. It was found that, there is a significant relationship between the Demographic factors such as Age, Education, Marital status and Supporters in the family and the work life balance of IT women employees of Chennai. The Work factors such as Nature of the organisation, Work Relations with the Superiors and the subordinates, Work timings and the Welfare facilities provided by the organisation also have their impacts with the Work life balance of IT women employees with respect to Chennai.

The key challenges in professional work life were found to be less support from the superiors and subordinates. In personal life, if supporters were in the house they were able to manage their work and life. This study will help the top management of IT companies to frame policies to satisfy and retain the talented women employees.

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## FOREIGN DIRECT INVESTMENT

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Associate Professor<sup>1</sup> and Research Scholar<sup>2</sup>, Department of Commerce, Alagappa University, Karaikudi**ABSTRACT**

*Foreign Direct Investment (FDI) obtained an imperative job in the worldwide economy after the Second World War. Hypothetical investigations on FDI have prompted a superior comprehension of the financial system and the conduct of monetary operators, both at small scale and large scale level permitting the opening of new zones of concentrate in financial hypothesis. To comprehend remote direct venture should initially comprehend the fundamental inspirations that reason a firm to contribute abroad instead of fare or redistribute creation to national firms. The reason for this investigation is to distinguish the primary patterns in FDI hypothesis and feature how these speculations were produced, the inspirations that prompted the requirement for new ways to deal with advance financial hypothesis of FDI. Albeit a few analysts have attempted to clarify the marvel of FDI, we can't state there is a by and large acknowledged hypothesis, each new proof including some new components and analysis to the past once.*

*Keywords: Foreign Direct Investments, Internalization Theory, Eclectic Paradigm*

**INTRODUCTION**

Foreign Direct Investment (FDI) could be a method that allows the residents of country to directly invest their funds in another country and acquire possession of assets and exercise management over the investment in terms of production, management, distribution, effective higher cognitive process, employment etc. FDI is a global financial flow with the meaning of dominant or taking part within the management of an enterprise Associate in Nursing exceedingly in a very foreign country. Foreign investment could be a means that of constructing foreign resources on the market to a developing country. Such investments will ensue for many reasons, as well as to require advantage of cheaper wages, special investment privileges offered by the country. The entry of Foreign Direct Investment (FDI) with in the retail sector looks to possess become consequent frontier for conquest by the pro-MNC forces of easing. A former director of the enormous great Britain merchandiser TESCO has aforementioned, Indian retail should not be fooled by partnership offers by world retail giants as a result of they need 100 percent management and ultimate possession.

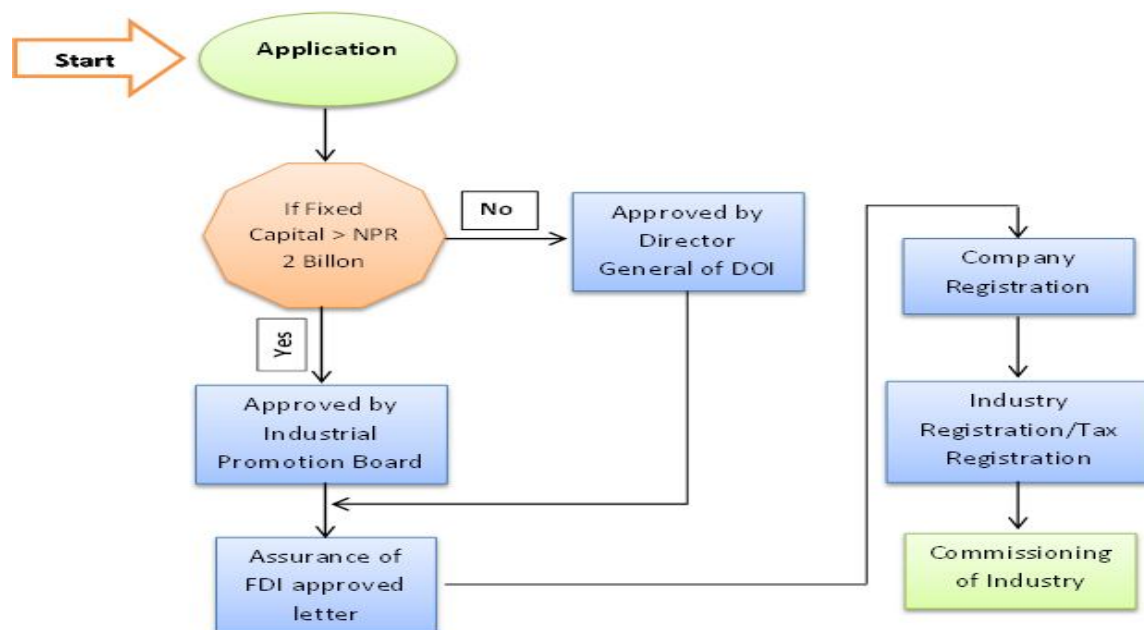
**OBJECTIVES**

- To identify the various determinants of FDI.
- To understand the need for FDI in India.

**I. DETERMINANTS OF FDI IN INDIA**

A country that features a stable economics condition with high and sustained growth rates can receive additional FDI inflows than a additional volatile economy. The variables that live the economic stability and growth are valuate, interest rates, inflation rates etc. Investors opt to invest in additional stable economies that mirror a lesser degree of uncertainty and risk. Therefore, it's expected that value rate, industrial production, and interest rates would influence FDI flows absolutely and also the rate of inflation would influence absolutely or negatively. Market size plays a very important role in attracting foreign direct investment from abroad. Market size is measured by value. Market size tend to influence the inflows, as Associate in Nursing exaggerated client base signifies additional opportunities of being prospering and additionally the actual fact that with the rampant development the buying power of the folks has additionally been greatly influenced moving to several levels higher as compared to what it had been before the economic growth.

Trade openness is additionally is additionally thought-about to be one in all the key determinants of FDI as painted within the past literature; a lot of of FDI is export homeward-bound and should also need the import of complementary, intermediate and capital merchandise. Therefore trade openness is usually expected to be a positive and important determinant of FDI. Trade openness is that the add of exports and imports of products and services measured as a share of gross domestic product. the number of domestic investments additionally influences the amount of FDI inflows into numerous sectors. Real rate and inflation affects the influx of foreign investments particularly direct investment. Real rate Associate in Nursing inflation principally live the economic stability of an economy.



## I. Speculations of FDI might be characterized under the accompanying headings

### 1. Production Cycle Theory of Vernon

Creation cycle hypothesis created by Vernon in 1966 was utilized to clarify particular kinds of outside direct speculation made by U.S. organizations in Western Europe after the Second World War in the assembling business. Vernon trusts that there are four phases of generation cycle: development, development, development and decrease. As per Vernon, in the principal arrange the U.S. transnational organizations make new inventive items for neighborhood utilization and fare the surplus so as to serve likewise the outside business sectors. As per the hypothesis of the creation cycle, after the Second

World War in Europe has expanded interest for fabricated items like those delivered in USA.

Along these lines, American firms started to trade, having the benefit of innovation on universal contenders. In the event that in the principal phase of the generation cycle, makers have favorable position by having new advances, as the item grows likewise the innovation ends up known. Makers will institutionalize the item, however there will be organizations that you will duplicate it. Consequently, European firms have begun copying American items that U.S. firms were sending out to these nations.

US organizations were compelled to perform generation offices on the nearby markets to keep up their pieces of the overall industry in those territories. This hypothesis figured out how to clarify specific sorts of interests in Europe Western made by U.S. organizations between 1950-1970. In spite of the fact that there are regions where Americans have not had the innovative favorable position and outside direct speculations were made amid that period.

### 2. The Theory of Exchange Rates on Imperfect Capital Markets

This is another hypothesis which attempted to clarify FDI. At first the remote trade chance has been examined from the point of view of global exchange. Itagaki (1981) and Cushman (1985) dissected the impact of vulnerability as a factor of FDI. In the main observational examination made up until this point, Cushman demonstrates that genuine swapping scale increment invigorated FDI made by USD, while an outside cash thankfulness has decreased American FDI. Cushman reasons that the dollar gratefulness has prompted a decrease in U.S. FDI by 25%. Be that as it may, money hazard rate hypothesis can't clarify synchronous remote direct speculation between nations with various monetary forms. The sustainers contend that such speculations are made in various occasions, however there are sufficient cases that negate these cases.

### 3. The Internalization Theory

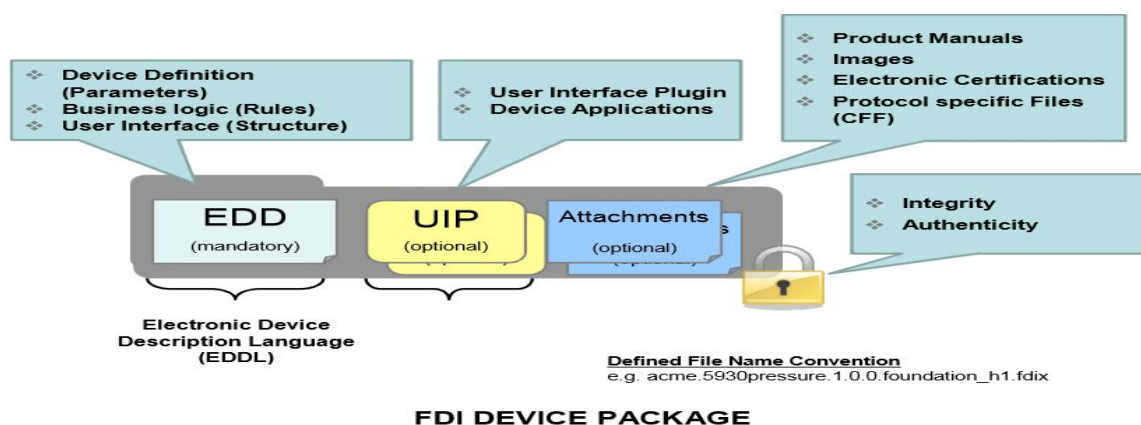
This hypothesis attempts to clarify the development of transnational organizations and their inspirations for accomplishing remote direct venture. The hypothesis was created by Buckley and Casson, in 1976 and after that by Hennart, in 1982 and Casson, in 1983. At first, the hypothesis was propelled by Coase in 1937 out of a national setting and Hymer in 1976 of every a global setting. In his Doctoral Dissertation, Hymer distinguished two noteworthy determinants of FDI. One was the evacuation of rivalry. The other was the favorable circumstances which a few firms have in a specific action (Hymer, 1976).

Buckley and Casson, who established the hypothesis exhibits that transnational organizations are sorting out their inner exercises in order to create explicit focal points, which at that point to be misused. Disguise hypothesis is viewed as critical additionally by Dunning, who utilizes it in the mixed hypothesis, yet in addition contends this clarifies just piece of FDI streams. Hennart (1982) builds up the possibility of disguise by creating models between the two kinds of mix: vertical and level.

Hymer is the creator of the idea of firm-explicit favorable circumstances and exhibits that FDI occur just if the advantages of abusing firm-explicit points of interest exceed the general expenses of the activities abroad. As indicated by Hymer (1976) the MNE shows up because of the market flaws that prompted a disparity from ideal challenge in the last item advertise. Hymer has examined the issue of data costs for remote firms regarded to nearby firms, diverse treatment of governments, money change (Eden and Miller, 2004). The outcome implied a similar end: transnational organizations face some change costs when the ventures are made abroad. Hymer perceived that FDI is a firm-level methodology choice instead of a capital-advertise budgetary choice.

#### 4. The Eclectic Paradigm of Dunning

The mixed hypothesis created by teacher Dunning is a blend of three unique speculations of direct remote ventures (O-L-I):



##### 1) "O" from Ownership favorable circumstances:

This allude to immaterial resources, which are, in any event for some time select has of the organization and might be exchanged inside transnational organizations at low costs, driving either to higher salaries or diminished expenses. Be that as it may, TNCs tasks performed in various nations face some extra expenses.

In this way to effectively enter a remote market, an organization must have certain qualities that would triumph over working expenses on an outside market. These points of interest are the property capabilities or the particular advantages of the organization. The firm has a restraining infrastructure over its own particular points of interest and utilizing them abroad prompts higher minor gainfulness or lower negligible expense than different contenders. (Dunning, 1973, 1980, 1988).

##### There are three types of specific advantages

- Monopoly points of interest as special access to business sectors through responsibility for constrained assets, licenses, trademarks.
- Technology, information comprehensively characterized to contain all types of advancement exercises.
- Economies of vast size, for example, economies of learning, economies of scale and extension, more prominent access to monetary capital.

##### 2) "L" from Location

At the point when the primary condition is satisfied, it must be increasingly invaluable for the organization that claims them to utilize them itself instead of offer them or lease them to remote firms.

Area focal points of various nations are de key components to figuring out who will progress toward becoming host nations for the exercises of the transnational enterprises.

The specific advantages of each country can be divided into three categories:

- The economic repayment consist of quantitative and qualitative factors of manufacture costs of transport, telecommunications promote size etc.

- b) Political advantages ordinary and specific government policies that affect FDI flows.
- c) Social advantages: includes distance between the home and home countries, cultural diversity, attitude towards strangers etc.

### **3) “T” from Internalization:**

Supposing the first two conditions are met, it must be beneficial for the company the use of these advantages, in teamwork with at least some factors outside the country of source (Dunning, 1973, 1980, 1988).

This third normal for the mixed worldview OLI offers a system for surveying diverse manners by which the organization will abuse its forces from the closeout of merchandise and ventures to different assertions that may be marked between the organizations. As cross-outskirt advertise Internalization benefits is higher the more the firm will need to take part in outside generation as opposed to offering this directly under permit, establishment. Varied worldview OLI demonstrates that OLI parameters are not quite the same as organization to organization and rely upon setting and mirror the financial, political, social qualities of the host nation. In this way the destinations and techniques of the organizations, the scale and pattern of manufacture will depend on the challenges and opportunity obtainable by different types of countries.

### **CONCLUSION**

All the exact outcomes uncover that for FDI there isn't a brought together hypothetical clarification, what's more, it appears now exceptionally improbable that such a brought together hypothesis will develop. Neoclassical exchange hypothesis neglected to clarify the presence of Multi National Corporations. Clarifications regarding contrasts in rates of return between nations could clarify portfolio ventures, yet outside direct speculations (FDI). It was not until Hymer introduced his work, in 1960, of remote direct speculations and worldwide endeavors that a fantastic clarification was close by. After all these distinctive endeavors to clarify why FDI occur and the spearheading work by Hymer (1976), the calculated system utilized until exceptionally as of late was the one proposed by Dunning (1977), the OLI worldview.

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**BANKING PERCEPTION IN FINANCIAL INCLUSION**

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**ABSTRACT**

*Today the term 'bottom of the pyramid' refers to the global poor most of who live in the developing countries. These large numbers of poor are required to be provided with much needed financial assistance in order to sail them out of their conditions of poverty. Accordingly, there is felt a need for policy support in channeling the financial resources towards the economic upliftment of poor in any developing economy. Financial Inclusion is considered to be the core objective of many developing nations since from last decade as many research findings correlate the direct link between the financial exclusion and the poverty prevailing in developing nations. Financial inclusion is an attempt to provide financial access and services to weaker sections and low income groups, thus eliminating poverty. An inclusive financial sector development makes two complementary contributions to poverty alleviation: financial sector development is a driver of economic growth which indirectly reduces poverty and inequality and appropriate, affordable, financial services for poor people can improve their welfare. The study conducted is to identify how financial inclusion has had an impact on the financial inclusion has helped indirectly in the improvement of financial literacy and reduction of poverty. The study conducted will bring forth the improvement in the implementation of financial inclusion in terms of financial literacy, reduction of poverty and how the banking sector alone has managed to engulf a vast part of the state into the fold of financial inclusion.*

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**INTRODUCTION**

"The stark reality today is that most poor people in the world still lack access to sustainable financial services, whether it is saving, credit or insurance. The great challenge before us is to address the constraints that exclude people from full participation in the financial sector. Together, we can and we must build inclusive financial sectors that help people improve their lives"- **Former UN secretary –Kofi Annan**

Normally the weaker sections of the society are completely ignored by the formal financial institutions in the race of making chunks of profits or the complexities involved in providing finance to the weaker section. Financial inclusion or inclusive financing is the delivery of financial services, at affordable costs, to sections of disadvantaged and low income segments of society.

**ANALYSIS AND INTERPRETATION**

In identifying the trend of banking perception in financial inclusion the following parameter have been considered;

- KCC (KISAN CRDIT CARD)
- BSBDA/NO FRILL (BASIC SAVINGS BANK DEPOSIT ACCOUNT)
- GPCC (GENERAL PURPOSE CREDIT CARDS)
- OD IN NO FRILL'S SB A/C
- SHG CREDIT LINKAGE
- RSETI'S (RURAL SELF EMPLOYMENT TRAINING INSTITUTE'S)
- FLCCC (FINANCIAL LITERACY AND CREDIT COUNSELLING CENTERS)

**KCC**

The numbers of cards issued in all three banks (co-operative, regional rural and commercial banks) have shown a downward trend. This however is good as the number of people who are yet to receive the cards has reduced and a vast population has already received the KCC cards. Again the amount sanctioned towards KCC has shown a fluctuating trend but the amount sanctioned has been reducing over the years. The CAGR of the KCC issued and amount sanctioned towards KCC in all the banks also shows a negative figure which however indicate that there has been reduction in the cards issued and a vast population has been covered.

**BSBDA/NO FRILL ACCOUNTS**

The number of BSBDA/no frill accounts opened over the years have shown an increasing trend showing that the number of people who have opened accounts over the years has increased. The CAGR has been fluctuating but the growth has been positive showing that there has been at least one fourth of the population on an average basis to open accounts.

**OVERDRAFT IN NO FRILL SB ACCOUNTS**

The number of accounts that have opened with the overdraft in no frill or SB accounts also has shown an increasing trend meaning that the number of persons who have availed overdraft facility has increased over the years.

**GENERAL PURPOSE CREDIT CARDS**

The number of GPCC cards issued over the years has had an increasing trend showing that the GPCC has been issued to a number of customers at an increasing rate. The CAGR also is a positive percentage meaning that the average annual growth rate over the years is positive and there has been a growth in the number of cards issued.

**FLCCC AND RSETI'S**

One of the main steps towards financial literacy taken were the FLCCC's and the RSETI's. From the data given we can conclude that there have been a number of FLCCC's opened during the years and RSETI's are opened in all the overall improvement in the trend in the banking penetration is proof to that.

**SHG CREDIT LINKAGE**

The total loans disbursed under the SHG credit linkage scheme has shown a positive trend and the CAGR or the average annual growth has also shown positive showing that the loan availed over the years has been increasing.

**RECOMMENDATIONS**

- ✓ Steps are to be taken to cover the financially excluded people using the parameters like KCC, no frill accounts, GPCC, FLCCC and RSETI's etc.
- ✓ Constant and rising growth in the key parameters in financial inclusion is very much needed and the Government needs to concentrate on all the key parameters
- ✓ One of the best measures that would be suggested is to keep the general public educated on the current financial changes and sources that could be used.

**SCOPE FOR FURTHER STUDY**

Research means nothing but to re-search, it is not something that ends; there is always scope for further research. An honest attempt has been made to analyze. FI is a vast topic that can be studied in length leaving wide scope for further research. Some of the areas that can be studied include

- ✚ Financial inclusion in other states.
- ✚ Financial inclusion as a whole for India
- ✚ Technology in financial inclusion is a new concept and has a wide scope for analysis in the years to come.

**CONCLUSION**

"If the misery of the poor be caused not by the laws of nature, but by our institutions, great is our sin." - **Charles Darwin**

The Government of India and the Reserve Bank of India have been making efforts to promote financial inclusion as one of the important national objectives of the country. One state where immense effort is being taken to finally educate the people and reduce exclusion. The study conducted concentrated on Financial Inclusion it can thus be concluded that banks have managed to penetrate a vast section of the state and this is evident from the data analyzed over the past 8 years.

Banking is a key source that contributes to Financial Inclusion. A good banking performance would indicate that financial inclusion is being achieved. Thus the performance of banks would directly relate to Financial Inclusion. Concluding my study I would say that Financial Inclusion in India as a whole is a dream which can be fulfilled by constant and earnest efforts of the Government, Banks and people at large. If the Government is able to concentrate on the people and areas which are excluded it would help to increase Financial Inclusion and thus reduce financial illiteracy and poverty preventing a vicious cycle and help India evolve as a developed country than a developing country. I thus conclude saying

"The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little." - **Franklin D. Roosevelt**.



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**CONSUMER PERCEPTION OF HERBAL PRODUCTS IN MADURAI REGION**

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**ABSTRACT**

*This paper examines however the wonder of someone provides perception of delight or satisfaction. flavorer Cosmetics, referred as merchandise, area unit developed, exploitation numerous permissible cosmetic ingredients to make the bottom within which one or additional flavorer ingredients area unit accustomed give outlined cosmetic advantages and area unit known as as "Herbal Cosmetics". The demand of flavorer medicines is increasing speedily thanks to their skin friendliness and lack of facet effects. the simplest issue of the flavorer cosmetics is that it's strictly made of herbs and shrubs and so is freed from side-effects. this text highlights the patron behaviour towards flavorer cosmetic merchandise in Madurai region.*

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**INTRODUCTION**

Herbal product seek advice from things that area unit ready and processed with the assistance of the herbs. Herbs are considered to be food instead of drugs as a result of they are complete, all-natural and pure, as nature meant. Herbal product area unit medicines derived from plants. They are used as supplements to boost health and well being, and should be used for different therapeutic functions. The product area unit offered as tablets, capsules, powders, extracts, teas then on. The flavoring health product and supplements area unit offered in several forms, including in tea luggage, capsules, tablets, liquids, and powders. Samples of common flavoring health product and supplements embrace black snakeroot, echinacea, garlic, ginkgo, etc.

Herbs square measure typically outlined as non-woody plants that die once blooming. Recent herbals and Medicinal plants are often no heritable by gathering them in dark forest, growing them in your own personal garden, or shopping for them from alternative gardeners and food stores. Herbs square measure ready for consumption and use in medicinal remedies. once herbs square measure ready by steeping in boiling water to be drunk as a tea, they're identified as Associate in Nursing infusion. If these dried herbs get simmered in predicament, they're known as stewing. If gets incorporated in with alternative ingredients and created into cream, they are viewed as a flavourer ointment. Typically used is flavourer compress wherever piece of fabric is soaked in Associate in Nursing infusion or stewing and is wrapped and applied outwardly. If herbs square measure wont to cleanse and heal outwardly, they're known as flavourer wash. The flavourer infusions and decoctions will also be used as flavourer bathtub for relaxation and healing. The perpetually follow the suggested dosages on your preparations and recipes as a result of over-use of herbs will defeat the aim that you're mistreatment them. Some of the foremost helpful herbs will convince be cyan genetic if over used. Herbs are used for innumerable time for various functions like healing the sick and infirm. Most of the individuals still use herbs to profit their bodies. The individuals thought that herbs keep the body in tune with nature as nature meant and maintain correct balance. The several scientific studies square measure still continuing with trendy analysis following the lead of recent lore and herbal uses to assist finding new western drugs. Man has been awake to the results of Herbs on the body, mind and feeling.

**REVIEW OF LITERATURE**

**Trivedi, J. P. (2018).** Indian FMCG market is home to many successful global brands. Of late, few indigenous brands have managed to grab a significant market share by offering herbal products. These brands have tried to win consumers' favour by motivating consumer ethnocentrism and shaping consumer beliefs for benefits of using herbal products. In this paper, the researcher has studied the effect of consumer ethnocentrism and consumer beliefs for herbal products on brand loyalty, mediated by brand trust and brand affect. Descriptive research design was used to conduct the research. Data was collected from 458 respondents. Statistical tools like Cronbach alpha; exploratory factor analysis, confirmatory factor analysis and structural equation modelling were used to arrive at empirical results. The results establish that consumers' belief for herbal products have a stronger impact on brand affect and brand trust, which further influences brand loyalty. The results also established the mediating role of brand affect and brand trust.

**STATEMENT OF THE PROBLEM**

The Indian health care industry consist of Allopathic, Siddha, and Ayurvedic, Unani, Varma, Accupenture and Homeopathy. All these methods of medicines either wholly or individually support a health of the people. The Indian health service place pivotal role in the Indian Economy and it contributes 18 % in the GDP in term of its production also to a considerable number of people. The Siddha and Ayurvedic method of treatment is an age

old system of treatment in India. Its historical background deats back to vedic period .the growth of Siddha and Ayurvedic Medicine has must Witnessed Along with the Growth of People of India.

Now days, medical is important factors is life of Human being, as it is considered as their Wealth. All human being is maintained the health. So, buying Decision of Herbal products is much dominated by various personal, Economic, Social and Psychological Factors. Sometimes the buying decision of consumer on herbal products is much influenced by other people like friends, Relatives and Doctors. The buying decision of consumer is very offend changing and differs from consumer to consumer. Hence the researcher has attempted the study about the buying Behavior of consumer on herbal products.

### SCOPE OF THE STUDY

The present study is helpful in understanding the consumer perception of the different strata people in the Indian society especially in Madurai region towards herbal products. The classification of different strata of the people in gender wise, age wise , income wise , etc and consumer perception towards the different factors.

### OBJECTIVES OF THE STUDY

1. To analyze the consumer perception towards the Herbal products in study area.
2. To Identify the Awareness of consumer about the Herbal Products in study area.
3. To examine the factors influencing the herbal products and satisfaction of herbal products.

### HYPOTHESES OF THE STUDY

- ❖ **H<sub>0</sub><sup>1</sup>** There is no significant relationship between frequency of purchase and socio- economic status of the herbal product users.
- ❖ **H<sub>0</sub><sup>2</sup>** There is no significant relationship between the Monthly income and herbal product purchase channel.
- ❖ **H<sub>0</sub><sup>3</sup>** There no significant relationship between the socio economic profile and Factor influencing the purchase of herbal products by sample respondents

### RESEARCH METHODOLOGY & DATA COLLECTION

The present study is based on primary data and it has collected from the consumer who visited the select herbal products in Madurai region. The primary data is using interview Scheduled. The sample Size is 420 respondents and the convenience sampling technique has adopted to select the sample from various herbal products Stores.

### DATA ANALYSIS AND INTERPRETATION

#### PURCHASE OF HERBAL PRODUCTS BY SAMPLE RESPONDENTS

The relationship between frequency purchase of herbal products and socio-economic status of the herbal product users is explored by cross tabulation analysis with chi-square test for statistical significance of the relationship between two factors. The results of the analysis are shown in the table -1. As shown in the table, frequency of purchase is 95 respondents are frequency and 86 respondents are moderately of female against 82 respondent's frequency and 71 respondents of the male.

**Table-1: Frequency of purchase – Comparison by Socio-Economic Status**

| Socio economic groups |              | Frequency of purchase |            |              |       | Chi-Square                        |
|-----------------------|--------------|-----------------------|------------|--------------|-------|-----------------------------------|
|                       |              | Frequency             | Moderately | occasionally | Total |                                   |
| Sex                   | Male         | 82                    | 71         | 43           | 196   | .524**<br>DF=2 (Sig = .770)       |
|                       | Female       | 95                    | 86         | 43           | 224   |                                   |
| Living Area           | Rural        | 120                   | 38         | 17           | 175   | 135.932NS<br>DF= 4<br>(Sig =.000) |
|                       | Urban        | 39                    | 95         | 25           | 159   |                                   |
|                       | semi urban   | 18                    | 24         | 44           | 86    |                                   |
| Age                   | less than 20 | 9                     | 12         | 4            | 25    | 8.758**<br>DF= 10<br>(Sig = .555) |
|                       | 21-30        | 22                    | 14         | 12           | 48    |                                   |
|                       | 31-40        | 24                    | 30         | 16           | 70    |                                   |
|                       | 41-50        | 66                    | 53         | 23           | 142   |                                   |
|                       | 51-60        | 47                    | 38         | 28           | 113   |                                   |
|                       | 61&above     | 9                     | 10         | 3            | 22    |                                   |

|                           |                |     |     |    |     |                                  |
|---------------------------|----------------|-----|-----|----|-----|----------------------------------|
| Educational Qualification | Up12thstandard | 10  | 21  | 10 | 41  | 11.855**<br>DF = 6<br>Sig=.065   |
|                           | UG             | 67  | 43  | 20 | 130 |                                  |
|                           | PG             | 56  | 47  | 31 | 134 |                                  |
|                           | Diploma        | 44  | 46  | 25 | 115 |                                  |
| Marital Status            | Married        | 145 | 126 | 73 | 344 | 4.763**<br>DF = 6<br>(Sig =.575) |
|                           | Unmarried      | 26  | 19  | 10 | 55  |                                  |
|                           | Widow          | 5   | 8   | 2  | 15  |                                  |
|                           | Divorce        | 1   | 4   | 1  | 6   |                                  |
| Occupation                | Student        | 15  | 3   | 5  | 23  | 40.098NS<br>DF =12<br>(Sig=.000) |
|                           | Employed       | 26  | 18  | 16 | 60  |                                  |
|                           | Business Man   | 17  | 12  | 11 | 40  |                                  |
|                           | Agriculturist  | 59  | 29  | 13 | 101 |                                  |
|                           | Professional   | 27  | 38  | 16 | 81  |                                  |
|                           | Housewife      | 22  | 40  | 23 | 85  |                                  |
|                           | Unemployed     | 11  | 17  | 2  | 30  |                                  |
| Family type               | Nuclear        | 75  | 86  | 41 | 202 | 5.136**<br>DF = 2<br>(Sig=0.077) |
|                           | Joint family   | 102 | 71  | 45 | 218 |                                  |
| Number of member          | upto2          | 23  | 19  | 11 | 53  | 11.291**<br>DF = 6<br>(Sig=.080) |
|                           | 3-4            | 57  | 53  | 36 | 146 |                                  |
|                           | 5-6            | 36  | 49  | 21 | 106 |                                  |
|                           | above6         | 61  | 36  | 18 | 115 |                                  |
| Monthly income            | Nil            | 27  | 25  | 27 | 79  | 26.742NS<br>DF=8<br>(Sig = .001) |
|                           | lessthan10,000 | 57  | 39  | 28 | 124 |                                  |
|                           | 10,001-20,000  | 27  | 30  | 4  | 61  |                                  |
|                           | 20,001-30,000  | 45  | 31  | 12 | 88  |                                  |
|                           | above40,000    | 21  | 32  | 15 | 68  |                                  |

Source: Primary Data

Further, the proportion of female investors with 95 respondents is higher, compared to that of male 82 respondents. The difference in frequency purchase of herbal products between male and female respondents groups observed above is significant ( $\chi^2 = .524$ ,  $p < 0.01$ ). When compared across three locations of the herbal product users in the sample, it is found that 120 respondents are frequently purchase the herbal products and 38 respondents are moderately purchase the herbal products is more among rural group compared to that of those urban and semi urban areas. On the other hand 17 respondents are occasionally purchase the herbal products is less among rural area group. The obtained result the significant value is less than 0.05 so, reject null hypothesis. Across respondent groups with five different age levels, a not significant difference purchase of herbal products is found ( $\chi^2 = 8.758$ ,  $p < 0.01$ ). The calculated value is 26.742 which mean 267.42 and it significant at this level of significance 0.001 at degrees of freedom 8. If the significant value is less than 0.05 then reject null hypothesis and accept alternate hypothesis. In the above obtained result the significant value is less than 0.05 so, reject null hypothesis. Hence there is significant association between monthly income and frequency purchase of products. Marital status of the respondents group calculated value (267.42) is greater than table value (26.124) at degrees of freedom 8 in the 0.001 level of significance in the chi-square table. so we can reject the null hypothesis and accept the alternative hypothesis. The calculated value is 4.763 which means 47.63 and it significant at this level of significance 0.575 at degrees of freedom 6. If the significant value is more than 0.05 then accept null hypothesis and reject alternate hypothesis. In the above obtained result the significant value is more than 0.05 so, accept null hypothesis. Hence there is no significant association between marital status and frequency purchase of products. However, the frequency purchase of herbal products is significantly related to educational levels ( $\chi^2 = 11.855$ ,  $p < 0.05$ ), Family type ( $\chi^2 = 5.136$ ,  $p < 0.05$ ), Number of members ( $\chi^2 = 11.291$ ,

$p < 0.05$ ). Overall, it is found that the frequency purchase of herbal product is associated with socio-economic status of the consumer.

**Table-2: Factor influencing the purchase of herbal products by sample respondents**

| Canonical Correlations |             |            |                 |       |          |            |      |
|------------------------|-------------|------------|-----------------|-------|----------|------------|------|
|                        | Correlation | Eigenvalue | Wilks Statistic | F     | Num D.F. | Denom D.F. | Sig. |
| 1                      | .413        | .206       | .601            | 2.752 | 78.000   | 2217.070   | .000 |
| 2                      | .365        | .154       | .724            | 2.242 | 60.000   | 1886.187   | .000 |
| 3                      | .300        | .099       | .836            | 1.685 | 44.000   | 1543.732   | .004 |
| 4                      | .244        | .063       | .918            | 1.169 | 30.000   | 1186.496   | .244 |
| 5                      | .123        | .015       | .976            | .550  | 18.000   | 810.000    | .934 |
| 6                      | .095        | .009       | .991            | .459  | 8.000    | 406.000    | .885 |

Source: Primary data

As provided in the table, the first three canonical functions out of thirteen obtained from the analysis are significant statistically, first three functions at 1 per cent level and the four is at 5 per cent level. However, only first two canonical correlation functions have sufficient correlation, above 0.30 (canonical correlation = 0.413 for the first and 0.365 for the second) while third function has correlation of 0.300, which is less than or equal to the required norm of 0.30. However, due to its statistical significance, the fourth function is also taken into consideration.

**Table-2.1: Loadings of Factors While Purchasing Various Brands of Herbal Products and Socio-Economic Status Variables with Significant Canonical Functions**

| Variables   | Canonical Function |              |              |              |              |              |
|---|--------------------|--------------|--------------|--------------|--------------|--------------|
|   | First              | Second       | Third        | Four         | Five         | Six          |
| <b>CRITERION VARIABLES</b>  |                    |              |              |              |              |              |
| <b>Factors While Purchasing Various Brands Of Herbal Products</b> |                    |              |              |              |              |              |
| Factor price  | <b>.438</b>        | -.097        | .164         | -.146        | .187         | <b>-.652</b> |
| Quality   | <b>.471</b>        | -.399        | -.254        | .076         | .184         | .201         |
| Colour  | -.249              | -.165        | <b>.401</b>  | -.074        | -.070        | .252         |
| Different forms   | <b>-.423</b>       | -.004        | .362         | -.391        | .225         | -.055        |
| Organic material  | .032               | -.181        | -.136        | <b>-.535</b> | -.042        | <b>.483</b>  |
| Variety   | .285               | -.092        | .147         | .203         | -.276        | -.216        |
| Comfort   | .126               | -.236        | <b>.656</b>  | .006         | -.186        | .254         |
| Consumer service  | .320               | -.280        | -.040        | -.269        | -.100        | -.045        |
| Sales process   | -.016              | -.051        | -.180        | -.004        | <b>-.539</b> | -.224        |
| Brand loyalty   | -.374              | <b>-.422</b> | -.087        | .335         | .320         | -.344        |
| Presence usage  | .176               | <b>.414</b>  | .138         | .198         | .005         | .293         |
| Taste   | .049               | .082         | .029         | <b>-.433</b> | -.267        | -.198        |
| Any other   | .231               | .248         | .348         | -.276        | <b>.490</b>  | .035         |
| <b>PREDICTOR VARIABLES</b>  |                    |              |              |              |              |              |
| <b>Socio-Economic Status</b>                                      |                    |              |              |              |              |              |
| Sex   | <b>-.643</b>       | -.057        | <b>-.508</b> | <b>.542</b>  | .114         | .136         |
| Living area   | -.259              | -.165        | .317         | -.124        | <b>-.530</b> | <b>.714</b>  |
| Age   | -.214              | <b>.436</b>  | <b>-.504</b> | <b>-.698</b> | -.029        | .147         |
| Educational qualification   | <b>-.690</b>       | <b>.549</b>  | .376         | .020         | -.055        | -.279        |
| Marital status  | -.232              | -.324        | .231         | -.342        | <b>.789</b>  | .219         |
| Occupation  | .210               | <b>.709</b>  | .079         | .285         | .189         | <b>.575</b>  |

Source: Primary Data (Note: Canonical loadings of 0.40 & above are considered).

So, further interpretation on canonical loadings of the variables in the dependent (purchasing various brands of herbal products) and independent (socio-economic status) sets with first six canonical functions are carried out to ascertain which socio-economic factor that has unique contribution to which purchasing various brands of herbal products. The above table is reported with canonical loadings. In the dependent canonical function variety quality and price with negative sign of different forms. The second canonical function variety usage with negative sign of brand loyalty. The third canonical function comfort.659 and colour .401.

In the independent canonical function variate organic material and taste (-.535 of the organic material and -.433 of the taste). In the second canonical function occupation is high value (.709) followed by educational qualification and age (Educational qualification =.549 and age .436).

In the fifth dependent canonical function variate any other with negative correlation sales process. The sixth dependent canonical function variate organic material with negative correlation of price.

In the independent canonical function variate with negative sign of living area and educational qualification -.698. In the third canonical function variate with negative sex -.508 and age -.504. In the fourth canonical function variate age -.698 with positive correlation of sex .542. In the fifth canonical function variate marital status .789 with negative correlation of living area .530 In the sixth canonical function variate living area is high value .714 followed by occupation .575.

**Table-3: Monthly income and herbal product purchase channel**

| Monthly income | N   | Mean | SD    | F     | P Value |
|----------------|-----|------|-------|-------|---------|
| Nil            | 79  | 2.14 | .902  | 5.637 | .000*   |
| lessthan10,000 | 124 | 2.47 | 1.039 |       |         |
| 10,001-20,000  | 61  | 1.98 | .940  |       |         |
| 20,001-30,000  | 88  | 1.91 | .768  |       |         |
| above40,000    | 68  | 2.09 | .942  |       |         |

Source: Compiled from Primary Data. \*significant at 0.05 size

The influence of educational qualification and Source of information influence to know about herbal products is given in the Table 5.3.6. ANOVA test has been performed and the result shows a significant outcome ( $F = 5.637$ ;  $p = .000$ ). That is, the herbal product user differ significantly with respect to their monthly income towards herbal product purchase channel.

## FINDINGS

1. It is found that majority of the herbal product users are female.
2. It stated that 33.8 per cent of respondents are in the age group of 41 to 50 years, 26.9 per cent respondents are in the age group of 51 to 60 years and 16.7 per cent respondents are in the age group of 31 to 40 years.
3. It is found that 41.7 per cent of the respondents are residing in rural areas followed by urban areas.
4. It is referred from the study that 31.9 per cent of the respondents are post graduate. Under graduate are 31 per cent respectively.
5. It is noticed that 81.9 per cent of the respondents are married and 13.1 per cent of the respondents are unmarried.
6. It is evident from the study that 24 per cent of the respondents are agriculturist. 20. 2 per cent of the respondents are house wife and 19.3 per cent of the respondents are professional.

## CONCLUSION

An herb is one among the foremost oldest, wide accepted, extremely appreciated flavoring merchandise. It ought to reach every and each man for his or her health. There is a requirement for educating the customers and awareness concerning flavoring merchandise. Nowadays, flavoring merchandise believe to assist folks build their healthiness with the assistance of natural sources.

Herbs don't manufacture instant cures; however rather provide the simplest way to place the body in correct tune with nature. For thousands of years, humans have used herbs. The flavouring medicines square measure thought to be safe because it is natural, however actually it will cause serious adverse effects and interaction with alternative medicine and supplements. The analysis concludes that client satisfaction plays a significant role in determinant the usage of the flavouring merchandise.

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- ✓ <https://www.shrijiherbalproducts.com>.
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## WORLD TRADE AND INVESTMENT AGREEMENTS

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### ABSTRACT

*The WTO's guidelines – the understandings – are the aftereffect of dealings between the individuals. The present set is to a great extent the result of the 1986-94 Uruguay Round exchanges, which incorporated a noteworthy update of the first General Agreement on Tariffs and Trade (GATT). The Uruguay Round made new standards for managing exchange administrations and protected innovation and new techniques for question settlement. The total set races to somewhere in the range of 30,000 pages comprising of around 30 assentions and separate duties (called calendars) made by individual individuals in explicit zones, for example, lower levies and administrations showcase opening. Through these understandings, WTO individuals work a non-oppressive exchanging framework that illuminates their rights and their commitments. Every part gets ensures that its fares will be dealt with reasonably and reliably in other individuals' business sectors. Every guarantee to do likewise for imports into its own market. The framework likewise gives creating economies some adaptability in actualizing their responsibilities.*

### INTRODUCTION

The World Trade Organization (WTO), the successor to GATT, is quickly setting up itself as the third mainstay of the Bretton Woods foundations nearby the World Bank and the IMF. The delayed global arrangements which prompted its foundation have delivered an intricate arrangement of understandings which not just comprise the most significant correction of the principles overseeing world exchange, yet broaden these guidelines into a scope of issues and financial divisions not up to this point viewed as falling inside its ambit. This book, by a writer who was personally associated with the Uruguay Round which prompted the formation of the WTO, is a basic and brief clarification of what the WTO Agreements really accommodate. It manages the full scope of specialized arrangements and issues, clarifying where important the foundation, terms included, and ramifications of the new arrangements.

The numerous subjects secured incorporate the essential standards and primary components of GATT, the most - favored-country proviso, levies, equalization of installments arrangements, endowments and countervailing obligations, hostile to dumping, specialized hindrances to exchange, tenets of inception, import permitting, exchange related venture measures (TRIMs), state exchanging undertakings, licensed innovation rights, administrations, and the question settlement process.

Together with its sidekick volume which basically inspects the Agreements from the perspective of the creating nations, it gives open authorities, NGO pioneers and financial specialists as a rule with a basic clarification of the new guidelines administering world exchange.

### RESEARCH METHODOLOGY

The information was in auxiliary sources like articles, diaries, books.

### WTO agreements

#### Goods

It all began with trade in goods. From 1947 to 1994, the GATT was the forum for negotiating lower tariffs and other trade barriers; the text of the GATT spelt out important rules, particularly non-discrimination. Since 1995, the Marrakesh Agreement Establishing the WTO and its annexes (including the updated GATT) has become the WTO's umbrella agreement. It has annexes dealing with specific sectors relating to goods, such as agriculture, and with specific issues such as product standards, subsidies and actions taken against dumping. A recent significant addition was the Trade Facilitation Agreement, which entered into force in 2017.

#### Services

Banks, protection firms, media communications organizations, visit administrators, inn networks and transport organizations hoping to work together abroad appreciate similar standards of progressively open exchange that initially just connected to exchange products. These standards show up in the General Agreement on Trade in Services (GATS). WTO individuals have likewise made individual responsibilities under the GATS expressing which of their administration segments they are happy to open to remote challenge, and how open those business sectors .

**Intellectual property**

The WTO's Intellectual Property Agreement contains rules for exchange thoughts and inventiveness. The guidelines state how copyrights, licenses, trademarks, topographical names used to distinguish items, modern structures and undisclosed data, for example, exchange insider facts – "protected innovation" – ought to be ensured when exchange is included.

**Dispute settlement**

The WTO's technique for settling exchange clashes under the Dispute Settlement Understanding is essential for upholding the tenets and in this way to guarantee that exchange streams easily. Governments convey debate to the WTO on the off chance that they think their rights under the WTO understandings are being encroached. Decisions by uncommonly delegated free specialists depend on elucidations of the understandings and individual individuals' duties. The framework urges individuals to settle their disparities through meeting with one another. In the event that this turns out to be unsuccessful, they can pursue a phase by-organize methodology that incorporates the likelihood of a decision by a board of specialists and the opportunity to bid the decision on lawful grounds. Trust in the framework is borne out by the quantity of cases conveyed to the WTO – in excess of 500 cases since the WTO was set up contrasted and the 300 debate managed amid the whole existence of the GATT (1947-94).

**Trade monitoring**

The WTO's Trade Policy Review Mechanism is intended to enhance straightforwardness, to make a more prominent comprehension of the exchange arrangements received by WTO individuals and to survey their effect. Numerous individuals see the surveys as useful input on their arrangements. All WTO individuals must experience intermittent investigation, each survey containing reports by the part concerned and the WTO Secretariat. Moreover, the WTO attempts customary checking of worldwide exchange measures. At first propelled in the wake of the budgetary emergency of 2008, this worldwide exchange observing activity has turned into a standard capacity of the WTO, with the point of featuring WTO individuals' execution of both exchange encouraging and exchange confining measures.

**TYPES****Two-sided venture settlements**

To a substantial degree, the worldwide legitimate parts of the connection among nations and remote speculators are tended to reciprocally between two nations. The finish of BITs has advanced from the second 50% of the twentieth century onwards, and today these assentions establish a key part of the contemporary worldwide law on remote speculation. The United Nations Conference on Trade and Development (UNCTAD) characterizes BITs as "assentions between two nations for the complementary consolation, advancement and insurance of interests in one another's domains by organizations situated in either nation." While the fundamental substance of BITs has to a great extent continued as before throughout the years, concentrating on venture assurance as the center issue, matters reflecting open approach concerns (for example wellbeing, wellbeing, fundamental security or natural insurance) have as of late more every now and again been fused into BITs.

A commonplace BIT begins with a prelude that plots the general aim of the understanding and arrangements on its extent of utilization. This is trailed by a meaning of key terms, clearing up among others the implications of "speculation" and "financial specialist". BITs at that point address issues identified with the confirmation and foundation of remote speculations, including principles of treatment appreciated by outside financial specialists (least standard of treatment, reasonable and impartial treatment, full insurance and security, national treatment and most-favored country treatment). The free exchange of assets crosswise over national outskirts regarding a remote venture is generally additionally directed in BITs. Besides, BITs manage the issue of confiscation or harm to a speculation, verifying that – and in what way – pay be paid to the speculator in such a circumstance. They likewise determine the level of security and pay that financial specialists ought to expect in circumstances of war or common distress. Another center component of BITs identifies with the settlement of question between a speculator and the nation in which the venture occurred. These arrangements, regularly called speculator state debate settlement, typically notice the discussions to which financial specialists can resort for building up worldwide arbitral courts (for example ICSID, UNCITRAL or ICC) and how this identifies with procedures in host nations' residential courts. BITs likewise commonly incorporate a condition on State-State question settlement. At long last, BITs more often than not allude to the time allotment of the arrangement, elucidating how the assention is expanded and ended, and indicating to what degree speculations directed preceding end and confirmation of the bargain are secured



### Particular exchange and speculation understandings

Particular Trade and Investment Agreements (PTIAs) are more extensive monetary understandings among nations that are finished up to facilitate universal exchange and the exchange of elements of creation crosswise over outskirts. They can be monetary reconciliation understandings, unhindered commerce assentions (FTAs), financial association understandings (EPAs) or comparable sorts of understandings that spread, among numerous different things, arrangements managing remote venture. In PTIAs, the segment managing outside speculation frames just a little piece of the bargain, generally incorporating a couple of sections. Different issues managed in PTIAs are exchange merchandise and enterprises, levies and non-levy hindrances, traditions methods, explicit arrangements relating to chosen parts, rivalry, licensed innovation, transitory section of individuals, and some more. PTIAs seek after the advancement of exchange and interest with regards to this more extensive core interest. As often as possible, the structure and appearance of the separate section on outside speculations is like a BIT.

There exist numerous instances of PTIAs. A striking one is the North American Free Trade Agreement (NAFTA). While the NAFTA understanding manages an extremely wide arrangement of issues, above all cross-outskirt exchange between Canada, Mexico and the United States, part 11 of this assention covers nitty gritty arrangements on remote speculation like those found in BITs. Different instances of PTIAs finished up reciprocally can be found in the EPA among Japan and Singapore, the FTA between the Republic of Korea and Chile, and the FTA between the United States and Australia.

### Global tax collection understandings

The fundamental reason for universal tax assessment assentions is to control how charges forced on the worldwide salary of global endeavors are disseminated among nations. Much of the time, this is done through the disposal of twofold tax collection. The center of the issue lies in the contradictions among nations on who has purview over the assessable salary of worldwide organizations. Most normally, such clashes are tended to through respective assentions that bargain exclusively with tax collection on pay and some of the time likewise capital. All things considered, a couple of multilateral concurrences on tax collection just as reciprocal understandings that address tax assessment together with different issues have additionally been deduced before.

In contemporary arrangement practice, evasion of twofold tax collection is accomplished by simultaneously applying two separate methodologies. The main methodology is the disposal of definition confounds for terms, for example, "living arrangement" or "pay" that could some way or another be a reason for twofold tax assessment. The second methodology comprises the alleviation from twofold tax collection through one of three strategies. The credit strategy enables outside assessment to be credited against the duty paid in the home nation. As per the exception strategy, outside pay and coming about tax assessment is just ignored by the home nation. The derivation technique charges pay net of outside assessment, yet it is once in a while connected.

### CONCLUSION

Through the span of the most recent couple of years, notwithstanding, the writings of global venture assentions (IIAs) have turned out to be increasingly various. This improvement is a piece of a general pattern towards an "expanding multifaceted nature of global speculation law."<sup>3</sup> It requires venture legal counselors to move past conventional assurances and to ask once again what focal components hold their inexorably perplexing field of law together, regardless of whether it might be a great opportunity to move past customary types of administration, and whether the hole among venture and exchange can be spanned. The present book is an endeavor to investigate these new vulnerabilities. The examination continues from the formal wellsprings of law, however moves past them to take a gander at on-screen characters and procedures that impact the advancement of worldwide venture law and its connection with different zones of worldwide administration. On that premise, the expanding unpredictability of speculation law can be defied diagnostically, and the urgent inquiries it raises tended to.

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## MARKETING MIX IN GLOBAL MARKET

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## ABSTRACT

Showcasing items internationally is trying because of the assorted idea of business sectors. We use advertise heterogeneity, unbranded challenge, asset and foundation accessibility, and sociopolitical administration as nation showcase qualities that recognize created and developing nations. We examine their directing job on the connection between components of the promoting blend and brand deals. We give proof, from a various leveled direct model and a board informational collection of brands from 14 rising and created markets that represent 62% of the worldwide GDP, that nation showcase qualities moderate the connection between the total arrangement of promoting blend components and brand deals execution unevenly. While conveyance and cost have the biggest effect in rising and created nations separately; item advancement and publicizing have altogether bigger effects in developing markets in respect to created nations. These discovering features the significance of possibility perspective of showcasing procedure in worldwide markets.

Keywords: perspective, components, recognize

## INTRODUCTION

The item and administration blend is a standout amongst the most critical elements for the worldwide advertiser today. The various interest for items and administrations in the time of globalization is incredible. Nearness of industrialized and developing markets, expanding acquiring power, and the development of Internet has made the clients mindful, brilliant, and all the more requesting. The outcome is a more prominent challenge between firms.. The worldwide buyer settles on acquiring choices to get the best quality items at the most moderate cost.

A worldwide advertiser must be sufficiently adaptable to adjust the characteristics of its items so as to adjust to the legitimate, financial, political, innovative or climatic requirements of a nearby market. Generally, worldwide promoting requires the organizations to have accessible and explicit procedures for item adjustment for achievement in new markets.

Culture can separate an institutionalized item from an adjusted one. Rolling out social improvements in item properties resembles presenting another item in your nation of origin. The item should address the issues, tastes, and examples that are allowed by the market culture. Lastly, it is fundamental to comprehend that an item or administration isn't only one "thing." It ought to be viewed as a piece of the entire promoting blend so an extraordinary collaboration can be worked among various methodologies and activities.



## OBJECTIVES

1. To study of 4p's in Marketing mix.
2. To examine the Trends in global business

## I) The 7 P's of Marketing mix



### Product

Item is the most fundamental building square. When you think about your business' item, the objective is to imagine what shoppers need or need. This can be substantial, something you physically move, or it very well may be immaterial, for example, an administration. Regardless of if the item is physical or elusive, it will have a lifecycle. Like the lifecycle of a living being, the lifecycle of an item continues from its creation through to its development and inevitable decay as arrangements fall or as customers embrace new items. Organizations that can foresee the lifecycle of an item can pick up an upper hand by having new items or administrations prepared for clients.

### Price

The value that a shopper is happy to pay for an item is of most extreme significance to your business' showcasing blend. Organizations need to make a benefit, however that won't occur if the cost of your item is more than clients are happy to pay. The standard guideline is to set the cost so that is supplements alternate segments of your advertising technique. On the off chance that your item is seen as extravagance, for example, you can charge more. Be that as it may, if your item is intended for a spend-thrifty purchaser, it ought to be reflected in the cost. Likewise imperative to remember is the clients' perspective of the quality and estimation of your items. Statistical surveying is in this manner precious in deciding cost.

### Place

The item is dispersed is likewise a nation by-nation choice impacted by how the challenge is being offered to the objective market. Utilizing Coca-Cola for instance once more, not all societies use candy machines. In the United States, refreshments are sold by the bed through outlet center. In India, this isn't an alternative. Arrangement choices should likewise consider the item's situation in the commercial center. For instance, a top of the line item would not have any desire to be disseminated through a dollar store in the United States. On the other hand, an item advanced as the ease alternative in France would discover restricted achievement in an expensive boutique.

### Promotion

At this phase of an organization's advancement, coordinated advertising is the objective. The worldwide organization looks to diminish costs, limit redundancies in faculty and work, augment speed of execution, and to talk with one voice. On the off chance that the objective of a worldwide organization is to send a similar message around the world, at that point conveying that message in an applicable, drawing in, and practical way is the test.

Powerful worldwide publicizing strategies do exist. The key is trying publicizing thoughts utilizing a showcasing research framework demonstrated to give results that can be looked at crosswise over nations. The capacity to distinguish which components or snapshots of an advertisement are adding to that achievement is the way economies of scale are expanded. Statistical surveying estimates, for example, stream of consideration, stream of feeling and marking minutes give bits of knowledge into what is working in a promotion in any nation on the grounds that the measures depend on visual, not verbal, components of the advertisement.

**People**

All organizations are dependent on the general population who run them from bleeding edge Sales staff to the Managing Director. Having the perfect individuals is fundamental since they are as much a piece of your business offering as the items/administrations you are putting forth.

**Processes**

The conveyance of your administration is normally finished with the client present so how the administration is conveyed is by and by part of what the purchaser is paying for.

**Physical Evidence**

Practically all administrations incorporate some physical components regardless of whether the main part of what the customer is paying for is impalpable. For instance a hair salon would furnish their customer with a finished haircut and an insurance agency would give their clients some type of written word. Regardless of whether the material isn't physically printed (on account of PDFs) they are as yet accepting a "physical item" by this definition.

**ADVANTGES OF MARKETING MIX:**

- Lower showcasing costs
- Power and extension
- Consistency in brand picture
- Ability to use smart thoughts rapidly and productively
- Uniformity of showcasing rehearses
- Helps to set up connections outside of the "political field"
- Helps to urge auxiliary businesses to be set up to provide food for the requirements of the worldwide player
- Benefits of eMarketing over conventional advertising

**DISADVANTAGES OF MARKETING MIX:**

- Differences in buyer needs, needs, and utilization designs for items
- Differences in customer reaction to advertising blend components
- Differences in brand and item advancement and the aggressive condition
- Differences in the lawful condition, some of which may struggle with those of the home market
- Differences in the establishments accessible, some of which may require the production of altogether new ones (for example foundation)
- Differences in regulatory methodology
- Differences in item position
- Differences in the regulatory methodology and item situation can occuers.\

**II) TRENDS IN GLOBAL MARKETING:**

**Automated translation platforms:** Translation and confinement is an essential bit of bringing your exhibiting to new social events of individuals. Physically decoding substance across over documents, in any case, quickly ends up unwieldy and there can be pointless deferments. Despite whether you're bringing English copy into another lingo or consolidating sayings that address customers in a particular locale, mechanized understanding stages are streamlining that system.

**International market research:** Statistical surveying is indispensable to enable you to all the more likely comprehend target markets. With new computerized apparatuses, particularly those concentrated on versatile, organizations are getting to global study boards. Regardless of whether you're focusing on B2B or B2C purchasers, online statistical surveying is helping organizations make educated abroad ventures.

**Emerging laws:** Various new laws have been passed in the most recent year that are making it essential for advertisers to be educated about the legitimate condition and how it will shape their battles. For instance, advertisers working in Europe must comprehend the General Data Protection Regulation, or GDPR. Counsel a specialist on showcasing law for territories where you're thinking about working together, and build up an arrangement to remain side by side of quickly evolving controls.

**Changing technologies, new opportunities:** New advancements are getting to be across the board, from all the more dominant cell phones to augmented reality. As innovation enhances, worldwide and territorial promoting efforts are winding up increasingly refined.

**Local talent:** Progressively, organizations are conveying on board nearby ability to support shape and oversee crusades. From interpretation to existing systems, having advertising ability situated in the business sectors you're connecting with has various focal points that can enable your organization to jump a portion of the undeniable difficulties of showcasing in another territory. Invest energy figuring out how to viably enlist in global markets: work sheets, nearby Chambers of Commerce, business colleges, and systems administration bunches are generally extraordinary spots to begin.

## CONCLUSION

In my examination in to this I have discovered that the showcasing blend is an imperative viewpoint in advertising. Organizations don't generally utilize the majority of the p's nevertheless more often than not will definitely utilize a blend of some. In inquiring about into this I have discovered that the significance of utilizing the primary advertising blend 4p's Product, Price, Promotion and Place an organization will most likely prevail at the advancement of items and the improvement of the organization, when expanded blend is utilized an organization surpasses results since they are on the buyers side of the market. The reason I trust this is in the event that you take a gander at apple the utilization the all-inclusive blend in creating items that the buyer needs in placing these in the ideal spot at the correct time at the correct cost. When you take a gander at apple you can see improvement in the organization in item advancement.

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## FINANCIAL INCLUSION IN BRICS – AN ANALYSIS

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Professor<sup>2</sup>, Department of Banking Management, Alagappa University, Karaikudi**ABSTRACT**

*Financial inclusion is defined as the availability and equity of opportunities to access financial services. The paper analyses the financial inclusion in BRICS countries. It also assesses the progress, current scenario of the regulatory frameworks, and various factors behind of financial inclusion. The analysis shows that financial inclusion has been gaining momentum over time across the countries but the degree of financial inclusion varies widely. Although much progress had been achieved, a huge work remains to be done to foster financial inclusion for inclusive growth. The paper concludes that the overall account penetration in BRICS countries is 69.8 per cent. There is an increase of 9.4 per cent in the account penetration of women. All the BRICS countries are making use of ICT in financial services China is the highest user of ICT compared to other BRICS countries.*

*Keywords: Financial Inclusion, Women, Account Penetration, BRICS.*

**1. INTRODUCTION**

Globally, promoting financial inclusion has been discussed widely among policy makers and development partners for universal financial inclusion. A World Bank Report (WB, 2017) states that “financial inclusion has moved up the global reform agenda and become a topic of great interest for policy makers, regulators, researchers, market practitioners, development partners and other stakeholder”. The Global Findex data reveals that globally the share of adults owning an account is now 69 percent, an increase of seven percentage points since 2014. The numbers translate into 515 million adults who have gained access to financial tools. The 2017 figures on overall account ownership continue the upward trajectory with financial inclusion rising 18 percentage points since 2011, when account ownership was 51 percent.

The 2017 Global Findex data reflect the continued evolution of financial inclusion. Recent progress has been driven by digital payments, government policies, and a new generation of financial services accessed through mobile phones and the internet. In this paper the analysis of such efforts for BRICS countries is discussed. Ten years of development, BRICS has grown into an important platform for cooperation among emerging markets and developing countries. BRICS countries come from Asia, Africa, Europe and America and are all members of the G20. Together, these nations account for 26.46 per cent of the world land area, 42.58 per cent of the world's population, 13.24 per cent of the World Bank voting power and 14.91 per cent of IMF quota shares. According to IMF's estimates, the BRICS countries generated 22.53 per cent of the world GDP in 2015 and they have contributed more than 50 per cent of world economic growth during the last 10 years.

**2. REVIEW OF LITERATURE**

**Knowles et al. (2002)** reported that educational gender gap is an impediment to economic growth. Earlier, **Klasen (2002)** reported that gender inequality in education directly affects economic growth by lowering the average level of human capital.

**Bernheim and Garrett (2003)** in their work stated that there is a burgeoning literature documenting low levels of financial literacy population-wide and the relationship between literacy and savings behaviour.

**Lusardi and Mitchell (2008)** document that financial illiteracy is even more prevalent among women than men. **Zissimopoulos, Karney, and Rauer (2008)** found that less than 20% of middle-aged college-educated women were able to answer a basic compound interest question compared to about 35% of college-educated males of the same age. **Chen and Volpe (2002)** find similar gender differences at younger ages.

In this background the present paper makes an attempt to analyze financial inclusion in BRICS countries.

**3. METHODOLOGY**

The study is fully based on secondary data collected from Findex, World Bank. The study made a comparison of financial inclusion in BRICS countries during the period of 2014 to 2017. Collected data were analyzed with the help of simple percentage and graphs.

#### 4. OVERALL ACCOUNT PENETRATION

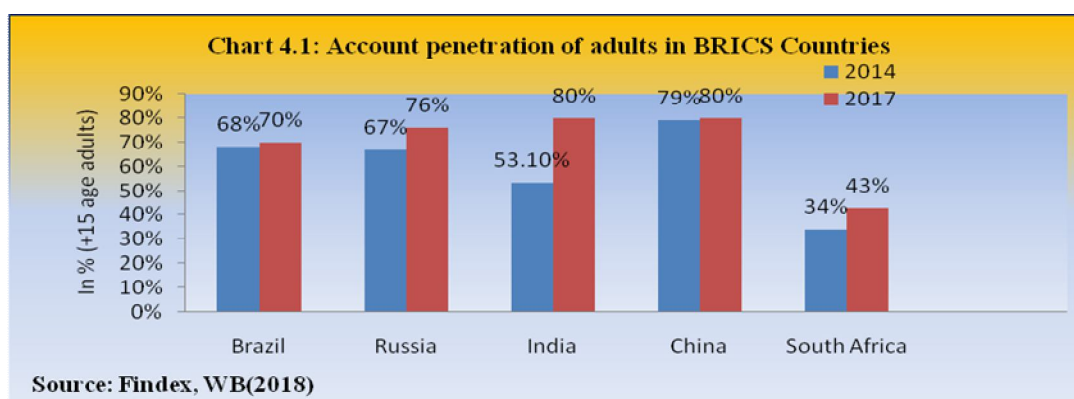
Account penetration data shows that overall financial inclusion level in BRICS countries increased by 9.6. Chart 4.1 shows that the increase in account penetration was more in India (26.9 percentage point) followed by Russian Federation (9 percentage point) and South Africa (9 percentage point) between 2014 and 2018.

It is also observed that the level of financial inclusion varies across country. Percentage increase in adults' accounts (% age 15+) of Brazil (2%) and China (1%) which is less than that of other BRICS countries.

**Table-4.1: Overall Account Penetration in BRICS countries**

| Country      | Overall account penetration year 2014 & 2017 (%) |    |
|--------------|--|----|
| Brazil       | 68   | 70 |
| Russia       | 67   | 76 |
| India        | 53   | 80 |
| China        | 79   | 80 |
| South Africa | 34   | 43 |

Source: WB (2018)



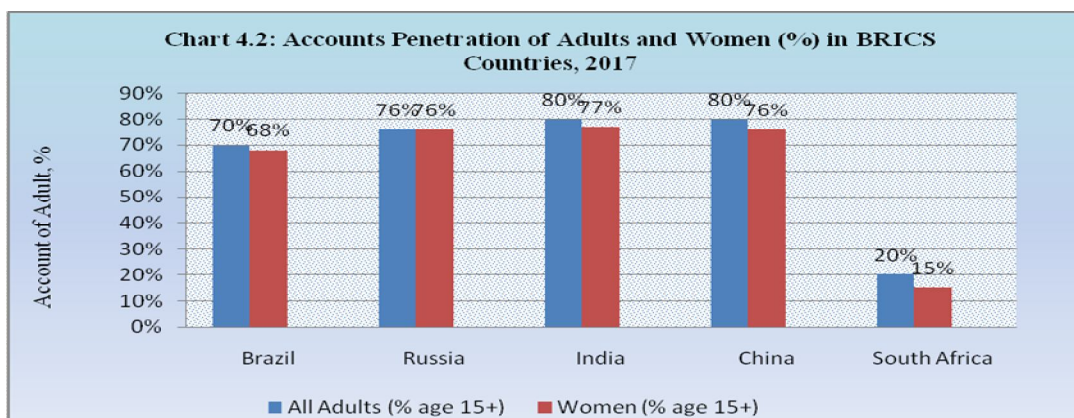
#### Account penetration by women adults

In BRICS, women account ownership on an average increased by 9.4 percentage point i.e., from 53 percent in 2014 to 62.4 percent in 2017. Similarly all adult account ownership has increase by 8.8 percent i.e., from 56.4 percent in 2014 to 65.2 percent in 2017. Although much progress has been achieved in women account ownership country level data shows that account penetration by women adults is the lowest in South Africa (Chart 4.2).

**Table-4.2: Account penetration by women adults in BRICS countries**

| Country      | All Adults (% age 15+) year 2014 & 2017 |    | Women (% age 15+) year 2014 & 2017 |    |
|--------------|---|----|------------------------------------|----|
| Brazil       | 68                                      | 70 | 65                                 | 68 |
| Russia       | 67                                      | 76 | 70                                 | 76 |
| India        | 53                                      | 80 | 43                                 | 77 |
| China        | 79                                      | 80 | 76                                 | 76 |
| South Africa | 15                                      | 20 | 11                                 | 15 |

Source: WB (2018)





### The Gender Gap

The gender gap in account penetration – differences in account penetration between all adult and women account – prevails in almost all countries in BRICS except Russian Federation. The gap is much higher in South Africa in 2017 (Table 4.3). An interesting observation is that gender gap on average has been reducing over time. The average gender gap was 9.4 per cent in 2014 which has decreased to 6.2 per cent in 2017.

**Table-4.3: Gender Gap Account Penetration**

| Country         | Gender Gap account penetration year 2014 & 2017 (%) |              |             |                    |              |             |   |              |
|-----------------|---|--------------|-------------|--------------------|--------------|-------------|---|--------------|
|                 | Male & Female yr. 2014                              |              | Gender gap  | Female yr. 2014-17 |              | Gender gap  | Overall account penetration yr. 2014-17 |              |
| Brazil          | 72%   | 65%          | 7%          | 73%                | 68%          | 5%          | 68%                                     | 70%          |
| Russia          | 64%   | 70%          | 6%          | 75%                | 76%          | 1%          | 67%                                     | 76%          |
| India           | 63%   | 43%          | 20%         | 83%                | 77%          | 6%          | 53%                                     | 80%          |
| China           | 81%   | 76%          | 5%          | 84%                | 76%          | 8%          | 79%                                     | 80%          |
| South Africa    | 39%   | 30%          | 9%          | 48%                | 37%          | 11%         | 34%                                     | 43%          |
| <b>Avg. Gap</b> | <b>63.8%</b>  | <b>56.8%</b> | <b>9.4%</b> | <b>72.6%</b>       | <b>66.8%</b> | <b>6.2%</b> | <b>60.2%</b>                            | <b>69.8%</b> |

Source: WB (2018)

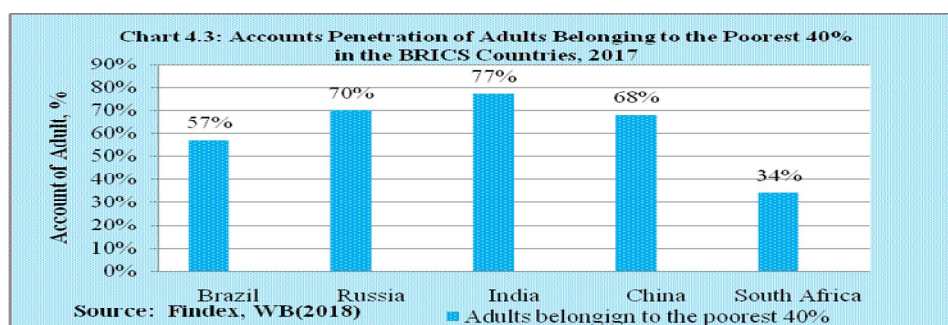
### Account of Adults Belonging to the Poorest 40 Percent

Account of adults belonging to the poorest 40 percent of total population varies across the BRICS countries. Account penetration is much lower in South Africa and Brazil. The average account holder of the bottom 40 percent poor in BRICS increase by 9 percentage point to 61.2 percent in 2017 from 52.2 percent in 2014 (Chart 4.3).

**Table-4.4: Account of Adults Belonging to the Poorest 40 Percent**

| Country        | Adults belonging to the poorest 40% in the year 2014 & 2017 |             |
|----------------|---|-------------|
| Brazil         | 57  | 57          |
| Russia         | 63  | 70          |
| India          | 44  | 77          |
| China          | 73  | 68          |
| South Africa   | 24  | 34          |
| <b>Average</b> | <b>52.2</b>   | <b>61.2</b> |

Source: WB (2018)



### Accounts of Young Adults

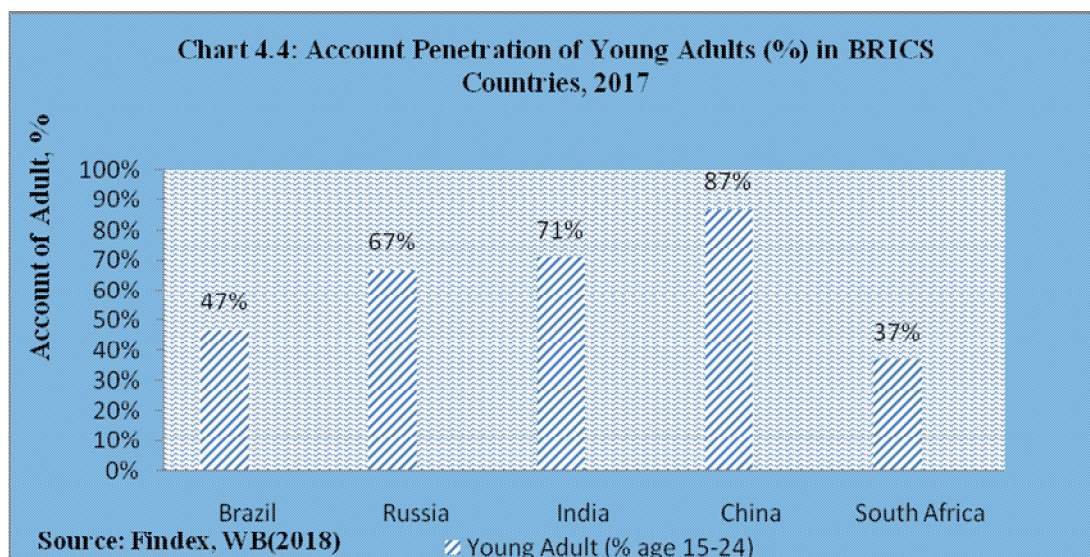
Young adults (% aged 15-24 year) account has also been improving over time and varying across countries in the BRICS countries (Chart 4.4). The Global Findex Database 2017 shows that account increased by 11.8 percentage point to 61.8 percent in 2017 from 50 percent in 2014.

**Table-4.5: Account of Young Adults**

| Country        | Young adults (% age 15-24) year 2014 | Young adults (% age 15-24) year 2017 |
|----------------|--------------------------------------|--------------------------------------|
| Brazil         | 53                                   | 47                                   |
| Russia         | 54                                   | 67                                   |
| India          | 43                                   | 71                                   |
| China          | 74                                   | 87                                   |
| South Africa   | 26                                   | 37                                   |
| <b>Average</b> | <b>50</b>                            | <b>61.8</b>                          |

Source: WB (2018)





### An Analysis of Usage of account

Use of financial services is more important than opening account for getting benefit of financial inclusion. Many accounts which are opened under financial inclusion drive remained dormant. In view of using account by adults, past year account usage has been considered.

### Savings and Credit in the past year

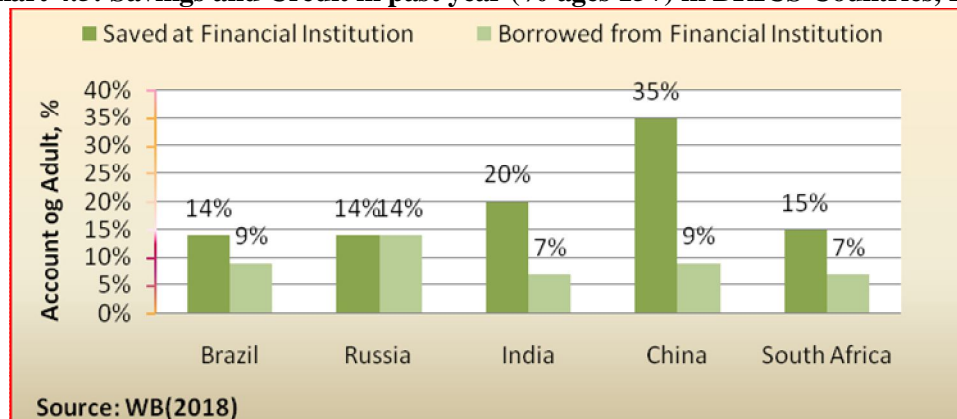
Country wise data shows that account holders who saved at financial institution was higher in 2017. The savings at financial institution of BRICS countries remained stable at 19.6 per cent in 2014 & 2017. But borrowings from financial institutions has increased marginally by 0.6 per cent. But in the all the BRICS countries except Brazil (2014) and Russian Federation (2017), the level of savings is lower than that of borrowings.

**Table-4.6: Savings and Credit in BRICS Countries**

| Country        | Saved at financial institution (%) |             | Borrowed from financial institution (%) |            |
|----------------|------------------------------------|-------------|---|------------|
|                | 2014                               | 2017        | 2014                                    | 2017       |
| Brazil         | 12                                 | 14          | 12                                      | 9          |
| Russia         | 15                                 | 14          | 10                                      | 14         |
| India          | 14                                 | 20          | 6                                       | 7          |
| China          | 41                                 | 35          | 9                                       | 9          |
| South Africa   | 16                                 | 15          | 6                                       | 7          |
| <b>Average</b> | <b>19.6</b>                        | <b>19.6</b> | <b>8.6</b>                              | <b>9.2</b> |

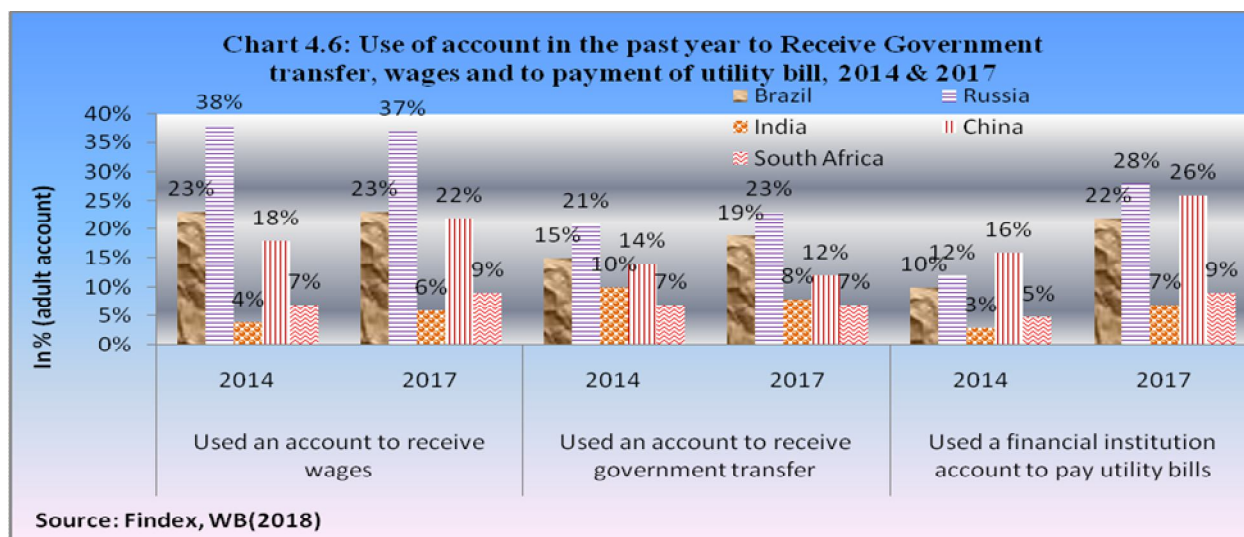
Source: WB (2018)

**Chart 4.5: Savings and Credit in past year (% ages 15+) in BRICS Countries, 2017**



### Government Transfer, Wage and Payment of Utility Bill

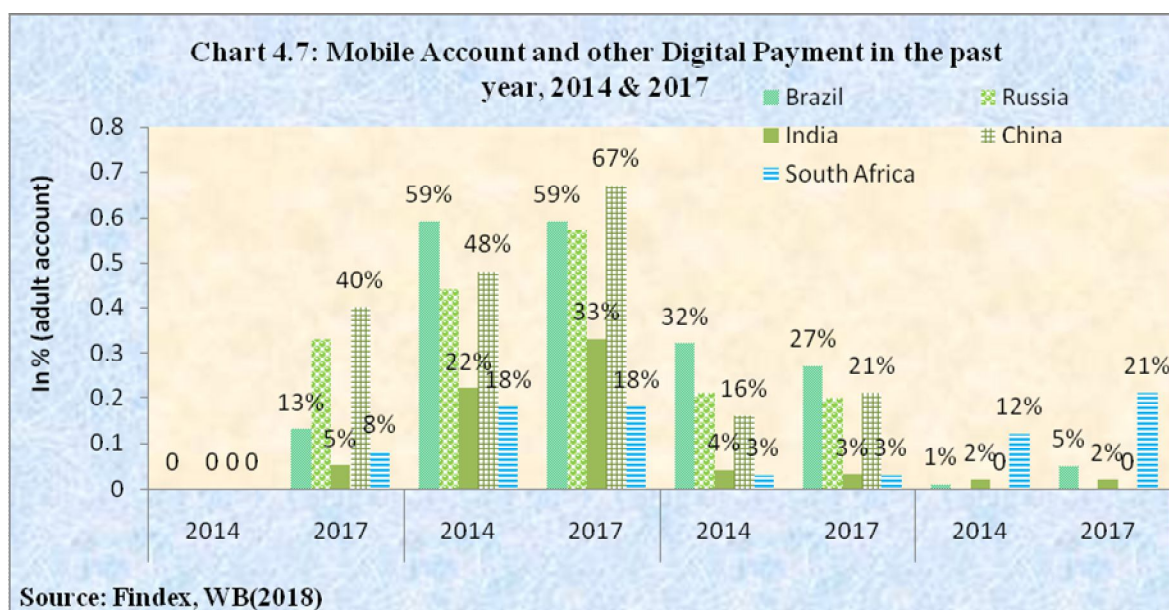
Chart 4.6 depicts the extend of usage of bank accounts to receive government transfer, wages and payment of utility bills by the people of BRICS countries. The proportion of people using bank accounts for receiving wages and payment of utility bills has increased in 2017 in all the countries. But the proportion of people receiving government transfer through bank account has reduce in all the countries except Russian Federation.



### Use of ICT in Financial Services

#### Payment System

Debit and credit card, mobile account, and the internet are the main vehicles of payment. Cross country data show that debit cards were used more to make payment compared to credit card and internet (Chart 4.7). China is the highest user of debit card 67 percent (2017) followed by Brazil 59 percentage and Russian Federation 57 percentage. Regarding the usage of mobile accounts, South Africa occupied the first place (21 percent) compared to other BRICS countries. But overall usage of mobile account is less compared to other digital payment systems. One of the reasons is that many adults who live in rural areas in the BRICS countries have low technical knowledge and are handicapped in terms of sound technological infrastructure which are essential for using mobile accounts.



### CONCLUSION

This paper has addressed the status of financial inclusion in BRICS countries where inequality and poverty are still present. The study found that BRICS' financial institutions are used mostly for saving, indeed, savings are important especially for poor people, but also credit may provide additional benefits when being properly managed. Overall, the data reveal that financial access has improved in BRICS countries between 2014 and 2017.

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**A STUDY ON THE DETERMINANTS OF S&P CNX NIFTY INDEX OPTIONS LIQUIDITY**

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**ABSTRACT**

*We examine the determinants of stock index option liquidity by employing daily data frequency of underlying stock index characteristic variables from June 2003 to June 2017. We find that the options liquidity is strongly determined by the underlying stock index characteristic variables namely signed returns, return volatility, trading volume and market capitalisation for aggregate of call and put, call (put) near month and next month cases. The day of expiration of the contract as well influences the options liquidity. Overall, our result is robust in general across different measures of options liquidity over the trading cycles.*

*Keywords: Index options, options liquidity, stock index return volatility, market size*

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**1. INTRODUCTION**

The derivatives market in India came into operation over one and half decade back which is nascent in comparison to matured markets. The research literatures available on the subject, specifically on futures and options are very few that are researched when the market was at budding stage. The research studies covering Indian derivatives market are generally examining the lead lag relationship, pricing efficiency and volatility behaviours of futures and options market. The studies of Thenmozhi (2000), Bhaskkar and Sumati (2005) captures lead lag relationship between the futures market and the underlying cash market. The studies of Varma (2002), Srivastava, Yadav, and Jain (2003), Schenbagaraman (2003), Narayan Rao (2003) examines the volatility and pricing efficiency of Indian options and futures market. Pradhan and Bhat (2006) investigate the price discovery and the causal nexus between S&P CNX nifty and Nifty Futures and finds that the spot market leads the futures market by transforming the information's to the futures market. Recently, Ramana Rao, Kanagaraj and Tripathy (2008) observe the insignificant impact of individual stock futures on the underlying stock market volatility.

Manaster and Rendleman (1982) find that options become superior investment vehicle as compared to the underlying securities due to their inherent leverage, lower transaction cost and their ability to avoid short sale restrictions in the underlying stock. Huberman and Halka (1999), Hasbrouck and Seppi (2000), Chordia, Roll, and Subrahmanyam A (2000, 2001) and Chordia, Shivakumar and Subrahmanyam (2001) concentrated on analysing commonality in the time-series movements of liquidity attributes. However, these authors do not analyse the behaviour of collective market liquidity over time.

A set of empirical literature measuring options market liquidity are examining the relationship between spread and trading volume or spread and market depth. For example, Vih (1990) compared the liquidity level of CBOE stock options with NYSE stocks and found that the CBOE is a liquid market where it absorbs larger trade without a major change in the prevailing price. George and Longstaff (1993) examine the cross-sectional distribution of bid-ask spreads and trading activity for S&P 100 index options and explores that trading activity and spread are determined simultaneously and are inversely related to each other. Chang, Chung and Johnson (1995) study the intra-day pattern of bid-ask spreads, volume, and volatility of CBOE stock options and NYSE stocks and tried to correlate these patterns to the predictions of market microstructure models.

Kolodera and Sehlog (2003) measured the relation between option market liquidity and stock market activity on the basis of transaction volume and order flows for German DAX Index. They finds that the stock volume impact on transaction-based liquidity increase with option market trading activity, i.e. for the stocks with most liquid option market one additional unit of stock trading volume generate the largest number of additional option trades. However, limited studies are dealing the factors influencing the option trading and stock trading and vice-versa. Recent studies failed to consider certain characteristics of the underlying stocks or overall market impact on changes in liquidity. This also includes to the studies of Stephan and Whaley (1990), Chan, Chung and Johnson (1993), Easley, O' Hara, and Srinivas (1998), Chang, Chung and Fong (2002), Dennis, Mayhew and Stivers (2003).

Kumar, Sarin and Shastri (1998) analyses the impact of options listing on the quality of the market for underlying security and indicates that the microstructure of the underlying stock improves after options listing. Mayhew, Sarin and Shastri (1999) examines whether the magnitude of the order flow in options is related to the characteristics of the underlying stock. In case of methodological issues, they run cross sectional regressions



for the averaged co-efficients across time. The study has destroyed the variations in the data series while it has not distinguished between call and put option and is treated equally as well as has not incorporated the level of options liquidity. In association to this, the studies of Sehgal and Vijayakumar (2007) substantiated the gap observed from the Mayhew, Sarin and Shastri (1999) and investigate the drivers of options liquidity in Indian context using daily and annual data set for 38 firms listed and traded in the S&P CNX Nifty Index of National Stock Exchange (NSE) for the years 2004 and 2005. The study employs panel data analysis separately for call and put options and aggregate of both for each year by classifying the firms into high, medium and low group based on options trading volume and finds that the options liquidity is negatively related to the uncertainty information environment. However, Sehgal and Vijayakumar (2007) fail to test the options liquidity by categorising the options based on their trading cycle using long recent data. In this context, the present study attempts to find out the determinants of Index options liquidity using long period data set by considering option contracts trading cycle.

The remaining part of this study is organised as follows. First section discusses the introduction and objectives, second and third section gives data and model specification. Section four and five discusses estimation procedure and empirical results respectively. Section six document summary and conclusion.

## 2. DATA

The daily data set consists of call and put option contracts on the S&P CNX Nifty (The Standard & Poor's CRISIL NSE Index 50, nicknamed as Nifty 50, is the leading index for large companies on the National Stock Exchange of India. The Nifty is a well diversified 50 stock index accounting for 22 sectors of the economy) over the period 1<sup>st</sup> June 2003 to 30<sup>th</sup> June 2017 are obtained from F&O (Futures and Options) segment of the National Stock Exchange of India (NSE) to test the liquidity of the Index options. We extract options contract volume in numbers and in currency unit for Call and Put Options as a measure of options liquidity. The daily S&P CNX Nifty index values which are adjusted for individual stock price information's such as stock dividends, stock splits, stock buybacks, and rights issues are obtained from equity segment of the NSE. The stock market liquidity measure (daily trading volume in Numbers and in Rupees) and the size measure (daily market capitalization) for S&P CNX Nifty Index are obtained from Prowess a database of CMIE (Center for Monitoring Indian Economy).

## 3. METHODOLOGY

The previous study of Sehgal and Vijayakumar (2007) estimates the relationship of options liquidity (options volume in number and options volume in rupees) with four proxies of underlying stock characteristic variables (stock price, stock return volatility, stock trading volume and stocks market capitalisation). In order to capture overall dimensions of liquidity relationship we test with alternative model by introducing few more proxies (independent) for underlying Stock Index characteristics. Kalodera and Schlag (2003) used positive stock returns, negative stock returns, positive lag returns, negative lag returns, stock trading volume, OTC volume, market volatility, and dummies to capture day effects. Among these variables we adopted all the variables for stock index except OTC volume and market volatility; however, we proxied stock index return volatility and individual stock index market capitalisation instead of market volatility and OTC volume respectively. Thus, we frame a generic regression equation to find the determinants options liquidity as:

$$L_{it} = \alpha + \beta_1 R^+_{it} + \beta_2 R^+_{it-1} + \beta_3 R^-_{it} + \beta_4 R^-_{it-1} + \beta_5 SRV_{it} + \beta_6 SMC_{it} + \beta_7 STV_{it} + \beta_8 d_t + e_{it} \quad (1)$$

where

$L_{it}$  is the liquidity measure

$R^+_{it}$  is positive Stock Index return

$R^+_{it-1}$  is laged positive Stock Index return

$R^-_{it}$  is negative Stock Index return

$R^-_{it-1}$  is laged negative Stock Index return

$SRV_{it}$  is stock underlying Stock Index return volatility

$SMC_{it}$  is market capitalisation of underlying Stock Index

$STV_{it}$  is underlying Stock index's trading volume

$d_t$  is dummy for contract expiration day

$e_{it}$  is the error term

The variables that are expected to determine the options liquidity measures extracted from the underlying stock index characteristic variables which are fit in the regression equation (1). In the equation (1) the signed return variables are represented as independent variables to capture the dynamic characters of the underlying stock index. Chlorida, Roll and Subrahmanyam (2001) analyse the impact of signed market returns on changes in stock market liquidity. Kalordera and Schalg (2003) included signed returns as measures of stock market activity by assuming that positive and negative returns having a symmetric impact on options trading liquidity. Therefore, we assume and hypothesise that signed return variables, i.e., positive, negative returns, and lagged positive, negative returns to have positive relationship with the options liquidity. Foster and Viswanathan (1990) observe that high liquidity increases when prices are less volatile because the more public information reveals the lower variance of prices changes, which in turn increases the amount of trading by liquidity traders. Mayhew, Sarin, and Shastri (1999) finds that volatility measured by the standard deviation of daily stock returns shows positive overall impact on option liquidity. Other hand, Chordia, Roll, and Subrahmanyam (2001) find a negative volatility impact on stock liquidity. In light of such mixed results we expect stock index return volatility (SRV) to have positive or negative relationship with the options liquidity.

The different level of options liquidity exhibits different types of relationship with stock market activity. Recently, Cheng, Gopinath and Krishnamurti (2002) finds that increase in NYSE stocks trading volume shows different effect on the liquidity of a stock, depending on its market capitalisation. Therefore, the stock index trading volume (STV) is expected to have positive or negative relationship with the options liquidity. The options market serve as an outlet for informed trading, when the probability of an informed trade in the stock market is lower for stocks with more liquid options. Mayhew, Sarin and Shastri (1999) argue that benefits from option trading should be higher for stocks of firms that are in a more uncertain information environment. Specifically, when options are more liquid then the potential gain will be larger from trading on private information. They use market capitalisation as a proxy for the uncertainty in the information environment of the underlying stock and expect the uncertainty in the information environment to be a decreasing function of the size of the firm. In this context, we also expect option liquidity to be a decreasing function of stocks index market capitalisation.

Kalodera and Schlag (2003) analyse the relationship between stock and options market into account to systematic patterns, likely we tried to capture the relationship between the markets on expiry date of the option. Therefore we introduced a dummy on last Thursday of a month which is the expiry day for stock index options contracts traded at NSE (if last Thursday is holiday then preceding trading day will be the expiry day for an option). We assume that on expiry day of the options, the investors who are interested on trading in options will be active on that day and simultaneous they may also buy underlying assets for hedging purpose. Therefore, we expect that options trading volume and stocks index volume may increase or decrease according to options position. Hence our hypothesis is that the last Thursday of a month as dummy variables and options liquidity measures are positively related.

#### 4. ESTIMATION PROCEDURE

We analyse daily data from 1<sup>st</sup> June, 2003 to 31<sup>st</sup> June, 2017 separately for call and put options and aggregate of both by categorising options contracts based on their trading cycle as call (put) near month, call (put) next month, call (put) far month. In the data elimination process; first we delete the options closing prices with zero transactions. Second, we eliminate the last five trading days from contract expiration day and above thirty days to expiry of the contract to have control over the liquidity bias in the estimation.

The measures of options liquidity are options contract volume in numbers and options contract volume in currency unit (rupees). The variables measuring the stock index characteristic (explanatory variables) are signed stock index return which includes positive returns ( $R^+$ ), lagged positive returns ( $R^+_{t-1}$ ), negative returns ( $R^-_{t-1}$ ), and lagged negative returns ( $R^-_{t-1}$ ), stock index traded volume (STV), stock index market capitalisation (MKC) and introduced a dummy to capture expiration day effect.

$R^+_{it}$  ( $R^-_{it}$ ) is the positive (negative) logarithmic stock index return  $R_{it}$  on day  $t$ , i.e.,  $R^+_{it} = \max [R_{it}, 0]$  ( $R^-_{it} = -\min [R_{it}, 0]$ ). The negative return part  $\min (R_{it}, 0)$  is multiplied by -1 to facilitate the interpretation of the coefficients in the regression analysis. For example, a positive impact of  $R^-_{it}$  on volume means that volume increase the larger the negative return absolute terms. Underlying stocks market capitalisation (MKC) is the log of daily total market capitalisation of stocks traded under S&P CNX Nifty stock index and Index trading volume (STV) is the log of daily total trading volume of the stocks traded in S&P CNX Nifty stock index. Stock index return volatility (SRV) is the standard deviation of the individual stock returns over day  $t$  and the preceding 14 trading days.  $d_t$  is the dummy for last trading Thursday of the month, where  $t$ , last Thursday of a month is one and

other trading days will be zero [Note: if last Thursday is not a trading day then one will fall on preceding trading day, Wednesday].

## 5. EMPIRICAL RESULTS

The OLS (ordinary Least Square) regression results for options liquidity measured by options volume in numbers and in currency unit (rupees) are presented in Table 1 and 2 respectively. The table 1 and 2 has three panels namely panel A, providing estimation results for aggregate of call and put options volume in numbers and in currency unit. The panel B and C respectively, providing the regression results of call and put options in numbers (in currency unit). In the panel B (C) each column of the table shows the results of call options (put options) classified based on the options trading cycle viz. call all (put all) with considering the trading cycle, call near (put near) month, call next (put next) month, and call far (put far) month.

All the panel cases in each table 1 and 2 exhibiting “that the coefficient of signed index return  $R_{it}^+$  and  $R_{it}^-$  are positively significant for both the measure of options liquidity (trading value in numbers and in currency unit), except call far (put far) month, while lagged signed returns are insignificant for all the case of options liquidity. However, the coefficients are becoming weaker for signed returns by moving from call all (put all) month to call far (put far) month for both liquidity measures. This result is in accordance to the result of Sanjay and Vijayakumar (2007). The result confirms that the stock prices in the index tend to proxy the level of transaction cost and the leverage advantage of options are generally positively related with options liquidity (Mayhew, Sarin and Shastri, 1999). Moreover, when returns are large and positive, the market participants tend to focus on call options, where as they trade put options when returns are negative (Kalodera and Schlag, 2003). In this arbitration the trade disparity may be optimised.

The stock index return volatility (SRV) coefficients are negative with options liquidity are peculiarly varying with trading cycle of the options where the index return volatility is positively significant for call all (except put all) month, call and put near month case and negatively significant for call and put next and far month case (except put far month). The exhibited relationship is interestingly opposite to the implications of Sanjay and Vijayakumar (2007). However, in our study the positively significant cases imply that the investors treat options as hedging instruments to mitigate risk arising from higher volatility. The present study confirms that the volatility coefficient mostly tends to decrease for alternative measure of option liquidity and liquidity with different cases of trading cycle. The positive significant relationship between index option liquidity and index return volatility is pertinent and indicates that the index options trading activity is matured over a period where hedgers play a dominant role compared to speculators who generally take large position in the underlying stock with increased volatility and ignore the options in the trading process (Sanjay and Vijayakumar, 2007). This result indicate the improved depth of the market, which is substantiated with the fact that institutional investors (who generally have hedging objectives) account for their larger portion of trading volume in the stock index options compare to the small investors who generally exhibit speculative behaviour.

The coefficients of stock index market capitalization and trading volume with options market liquidity are strongly positive for all the cases of trading cycles. However, the coefficient of trading volume with option liquidity finds to be negative and close to zero for the cases of call and put options far month. Thus, this result is in line with the studies of Sanjay and Vijayakumar (2007) and implying that index options are not being treated as alternative assets in Indian scenario and instead the interest in options driven by underlying assets. The coefficient of market size measured by total market capitalization of S&P CNX Nifty Fifty companies with options liquidity is strongly significant for all the cases of trading cycles and it relatively tend to decrease with near moth cases to far month cases. It seems that investors become more active with near and next month cases, where, the measure of information uncertainty varies inversely with it. Finally the coefficient of dummy variables used in the estimation to capture the contract expiration day impact with the option contract liquidity reflects the positively significant results for all the cases of trading cycle. Thus, the empirical results are generally robust to the size of options liquidity proxy and trading cycles except for the signed lagged return variables. This asymmetry in the results for different option types with different underlying assets need to be further examined.

## 6. SUMMARY AND CONCLUSION

The organised and well regulated derivatives trading in India was started during the year 2000. Despite of nascent nature of Indian derivatives market, the research works on the market is relatively less. Therefore, we made an attempt to examine the determinants of stock index option liquidity by the employing daily data set including underlying stock index characteristic variables namely signed returns, trading volume and market capitalisation of S&P CNX nifty index from June 1<sup>st</sup> 2003 to June 31<sup>st</sup> 2017. The options liquidity measures in terms of options volume in numbers and in currency (rupees) for the study period are categorised according to

the trading cycle of the options. The study finds that the daily frequency data of options liquidity are strongly determined by the underlying stock index characteristic variables in the estimation. We find in general that S&P CNX nifty index option liquidity is positively related and determined by the signed returns of the underlying stock index, stock index return volatility, trading volume as well as market capitalisation as a surrogate of market size for most of the cases of trading cycles especially for aggregate of call and put, call (put) near month and next month cases. There also seems to be a day of the month effect on the options liquidity. Thus, our results are robust in general for different measures of option liquidity across the trading cycles representing the life of the option contracts. Our findings are in conformity with those for mature capital markets. Thus implying that underlying stock index characteristic variables universally determine option market liquidity provided, the given market has achieved a critical maturity level reflected by range of instruments, range of securities, on which options are available, and the trading volume thereon. Our results shall be interesting for institutional investors who are attracted to trade in derivatives market owing to lower trading costs, leverage benefit of the options trade. Finding on the determinants of option liquidity is pertinent in light of the fact that it affects the price discovery mechanism and has bearing on the level of efficiency of the given market.

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**Table-1: Determinates of Options Liquidity in terms of Contract Volume in Numbers**

**Panel A: Call and Put Options Aggregate**

| Coef.        | t- value |       |
|--------------|----------|-------|
| $R_{it}^+$   | 6.695*   | 2.89  |
| $R_{it-1}^+$ | -3.059   | -1.31 |
| $R_{it}^-$   | 6.578*   | 2.98  |
| $R_{it-1}^-$ | 1.496    | 0.67  |
| $SRV_{it}$   | 6.149**  | 1.91  |
| $SMC_{it}$   | 2.110*   | 53.37 |
| $STV_{it}$   | 1.183*   | 23.53 |
| $d_t$        | -0.700*  | -6.58 |
| Adj $R^2$    | 0.759    |       |

\* denotes significant at 5 percent level for all the cases

\*\* denotes significant at 10 percent level for all the cases

$R_{it}^+$  ( $R_{it}^-$ ) and  $R_{it-1}^+$  ( $R_{it-1}^-$ ) are the positive (negative) logarithmic and lagged stock index return  $R_i$  on day t.  $SRV_{it}$  is the 14 day standard deviation a measure volatility of underlying Stock Index.  $STV_{it}$  is the log of daily trading volume of underlying Stock index's a measure of liquidity.  $SMC_{it}$  is daily market capitalisation of underlying Stock Index a measure of marker size.  $d_t$  is the dummy for contract expiration day. All these variables carry the same meaning as given in the equation (1) for rest of the tables.

**Panel B: Call Options**

| Call all | Call Near | Call Next | Call Far |
|----------|-----------|-----------|----------|
| Coef.    | Coef.     | Coef.     | Coef.    |
| (t-vale) | (t-vale)  | (t-vale)  | (t-vale) |

|              |         |         |          |          |
|--------------|---------|---------|----------|----------|
| $R_{it}^+$   | 7.106*  | 7.457*  | 14.816*  | 8.831    |
| (3.11)       | (3.19)  | (2.75)  | (1.09)   |          |
| $R_{it-1}^+$ | -2.496  | -1.024  | 2.553    | -1.637   |
| (-1.08)      | (-0.43) | (0.47)  | (-0.22)  |          |
| $R_{it}^-$   | 7.782*  | 9.272*  | 9.486**  | 16.091*  |
| (3.57)       | (4.08)  | (1.89)  | (2.21)   |          |
| $R_{it-1}^-$ | 2.719   | 3.227   | 5.590    | -6.157   |
| (1.24)       | (1.41)  | (1.10)  | (-0.81)  |          |
| $SRV_{it}$   | 10.130* | 15.159* | -26.052* | -54.474* |
| (3.18)       |         | (4.66)  | (-3.34)  | (-4.36)  |
| $SMC_{it}$   | 1.913*  | 1.929*  | 2.463*   | 2.124*   |
| (48.99)      |         | (47.79) | (25.80)  | (11.37)  |
| $STV_{it}$   | 1.190*  | 1.132*  | 1.087*   | 0.545*   |
| (23.98)      |         | (21.85) | (9.42)   | (2.99)   |
| $d_t$        | -0.676* | -0.879* | 0.812*   | 0.979*   |
| (-6.43)      |         | (-7.09) | (2.68)   | (2.51)   |
| Adj $R^2$    | 0.745   | 0.762   | 0.409    | 0.146    |

Figures in the parenthesis are t- value for all the cases.

#### Panel C: Put Options

| Put all        | Put Near       | Put Next       | Put Far        |           |
|----------------|----------------|----------------|----------------|-----------|
| Coef. (t-vale) | Coef. (t-vale) | Coef. (t-vale) | Coef. (t-vale) |           |
| $R_{it}^+$     | 5.780*         | 6.559*         | 6.836          | 10.688    |
| (2.39)         | (2.81)         | (1.35)         | (1.31)         |           |
| $R_{it}^+$     | -3.304         | -1.074         | 0.552          | 1.940     |
| (-1.36)        | (-0.45)        | (0.11)         | (0.27)         |           |
| $R_{it}^-$     | 5.700*         | 7.827*         | 6.462          | 9.358     |
| (2.48)         | (3.47)         | (-1.34)        | (1.32)         |           |
| $R_{it-1}^-$   | 0.857          | 1.297          | 4.055          | 1.577     |
| (0.37)         | 0.57           | (-0.83)        | (0.20)         |           |
| $SRV_{it}$     | 3.332          | 9.159*         | -21.463*       | -20.405** |
| (1.00)         | (2.84)         | (-2.88)        | (-1.68)        |           |
| $SMC_{it}$     | 2.309*         | 2.253*         | 2.286*         | 1.374*    |
| (56.58)        | (56.49)        | (23.23)        | (6.61)         |           |
| $STV_{it}$     | 1.085*         | 1.013*         | 1.062*         | 0.074     |
| (20.05)        | (18.91)        | (9.50)         | (0.40)         |           |
| $d_t$          | -0.702*        | -0.764*        | 0.931*         | 3.931*    |
| (-6.34)        | (-6.12)        | (3.27)         | (2.64)         |           |
| Adj $R^2$      | 0.760          | 0.787          | 0.397          | 0.061     |

**Table-2: Determinates of Options Liquidity in terms of Contract Volume in Currency units (Rupees)**  
**Panel A: Call and Put Options Aggregate**

| Coef.        | t- value |       |
|--------------|----------|-------|
| $R_{it}^+$   | 6.134*   | 2.90  |
| $R_{it-1}^+$ | -1.67    | -0.79 |
| $R_{it}^-$   | 6.790*   | 3.36  |
| $R_{it-1}^-$ | 1.826    | 0.90  |
| $SRV_{it}$   | 9.321*   | 3.22  |
| $SMC_{it}$   | 1.541*   | 31.32 |
| $STV_{it}$   | 0.982*   | 16.95 |
| $d_t$        | 0.629*   | -6.44 |
| Adj $R^2$    | 0.756    |       |

**Panel B: Call Options**

| Call all     | Call near | Call next | Call far  |          |
|--------------|-----------|-----------|-----------|----------|
| Coef.        | Coef.     | Coef.     | Coef.     | (t-vale) |
| (t-value)    | (t-value) | (t-value) | (t-value) |          |
| $R_{it}^+$   | 6.679*    | 6.698*    | 12.983*   | 11.255   |
| (3.18)       | (3.15)    | (2.45)    | (1.41)    |          |
| $R_{it}^+$   | -1.244    | 0.730     | 5.349     | 1.722    |
| (-0.59)      |           | (0.34)    | (1.00)    | (0.24)   |
| $R_{it}^-$   | 7.587*    | 9.142*    | 10.499*   | 18.703*  |
| (3.78)       | (4.41)    | (2.12)    | (2.61)    |          |
| $R_{it-1}^-$ | 2.524     | 3.443**   | 7.705     | -3.40    |
| (1.25)       | (1.64)    | (1.41)    | (-0.45)   |          |
| $SRV_{it}$   | 13.607*   | 18.781*   | -16.230*  | -48.566* |
| (4.73)       | (6.46)    | (-2.16)   | (-4.19)   |          |
| $SMC_{it}$   | 1.325*    | 1.401*    | 2.153*    | 2.271*   |
| (27.14)      |           | (27.91)   | (17.06)   | (9.43)   |
| $STV_{it}$   | 1.028*    | 0.911*    | 0.548*    | -0.082   |
| (17.88)      |           | (15.22)   | (3.81)    | (-0.35)  |
| $d_t$        | -0.617*   | -0.812*   | 0.986*    | 1.188*   |
| (-6.36)      |           | (-7.16)   | (3.29)    | (3.09)   |
| Adj $R^2$    | 0.739     | 0.760     | 0.375     | 0.152    |

**Panel C: Put Options**

| Put all        | Put Near       | Put Next       | Put Far        |        |
|----------------|----------------|----------------|----------------|--------|
| Coef. (t-vale) | Coef. (t-vale) | Coef. (t-vale) | Coef. (t-vale) |        |
| $R_{it}^+$     | 4.933*         | 5.247*         | 5.684          | 13.067 |
| (2.25)         | (2.55)         | (1.15)         | (1.62)         |        |
| $R_{it}^+$     | -1.884         | 0.724          | 3.022          | 5.727  |
| (-0.85)        | (0.35)         | (0.60)         | (0.79)         |        |

|                          |                     |                     |                      |                      |
|--------------------------|---------------------|---------------------|----------------------|----------------------|
| <b>R<sub>it</sub></b>    | 6.354 <sup>*</sup>  | 8.450 <sup>*</sup>  | -4.839               | 13.320 <sup>**</sup> |
| (3.04)                   | (4.24)              | (-1.02)             | (1.92)               |                      |
| <b>R<sub>it-1</sub></b>  | 1.719               | 2.467               | -1.816               | 5.434                |
| (0.82)                   | (1.22)              | (-0.38)             | (0.69)               |                      |
| <b>SRV<sub>it</sub></b>  | 5.518 <sup>**</sup> | 11.036 <sup>*</sup> | -15.000 <sup>*</sup> | -26.795 <sup>*</sup> |
| (1.85)                   | (3.96)              | (-2.11)             | (2.36)               |                      |
| <b>SMC<sub>it</sub></b>  | 1.805 <sup>*</sup>  | 1.803 <sup>*</sup>  | 1.936 <sup>*</sup>   | 1.775 <sup>*</sup>   |
| (35.50)                  | (37.14)             | (14.89)             | (6.41)               |                      |
| <b>STV<sub>it</sub></b>  | 0.842 <sup>*</sup>  | 0.734 <sup>*</sup>  | 0.607 <sup>*</sup>   | -0.472 <sup>**</sup> |
| (13.86)                  | (12.50)             | (4.43)              | (-1.90)              |                      |
| <b>d<sub>t</sub></b>     | -0.621 <sup>*</sup> | -0.683 <sup>*</sup> | 1.114 <sup>*</sup>   | 1.094 <sup>*</sup>   |
| (-6.14)                  | (-6.18)             | (3.99)              | (3.11)               |                      |
| <b>Adj R<sup>2</sup></b> | 0.764               | 0.799               | 0.361                | 0.072                |

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**A STUDY ON THE CONSUMER'S PERCEPTION ON E-SHOPPING**

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**ABSTRACT**

*E-Commerce is emerging as a great level given that organized retail is still not ubiquitous across the length and breadth of the country with large retail chain making up less than 10% of the market. E-Commerce is helping people in smaller towns in India access quality products and services similar to what people in the larger cities have access to. It is forecast that close to 60% of E-Shoppers would come from beyond the top eight large cities by end of this year. Increasing internet penetration has helped to expand the potential customer pool. This article highlights the impact of consumer's attitude towards e-shopping and their product preference on E-Shopping. This enables the e-retailers to support their online customer better by developing a suitable marketing strategy in order to attract and convert potential customer as an active customer by encouraging them in an efficient way to make a purchase decision.*

*Keywords: E-Commerce, E-Shopping, Consumer Perception, Buying Behaviors, Purchase Decision.*

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**INTRODUCTION**

Internet marketing is conceptually different from other marketing channels and the internet promotes a one to one communication between the seller and the end user with round the clock customer service. Today, business internet marketing is the fastest growing segment of online commerce. The major difference between traditional and Electronic selling is the extent of interaction between the consumer and the seller. There is much more Online interactivity with the consumer in the form of emails and Frequently Asked Questions (FAQs). Through FAQs, the consumer's questions on shipment, payment, product, policies and other customer concerns can be addressed effectively. Increasing numbers of people are gravitating towards more intensive use of the Internet as the accessibility of technology, the availability of information, and the ability to interact through the Internet increase and evolve. Obvious capabilities of the Internet include avenues for gathering information, purchasing a product, or rendering a service. These advances in Internet technology allow for the expansion of shopping options beyond traditional methods that may be more time consuming. Issues with having to physically gather information with offline shopping methods are alleviated, and customers are better able to efficiently use their time. For instance, instead of having to physically visit different stores to compare prices or rely on circular pamphlets in newspapers, a consumer is able to search and retrieve needed information through the Internet. The Internet explosion has opened the doors to a new online world. Consumers are now able to use the Internet for a variety of purposes such as research, communication, Electronic banking, and even shopping. With such advantages, the Internet is rapidly becoming the main method of communication and of conducting business conveniently. With a growing number of households turning towards the Internet and the world of e-commerce to shop, invest, make payments, and do Electronic banking, new technological advancements will have to come about to make these transactions secure. However, not all consumers are participating in Electronic transactions as part of the Internet boom. As more and more businesses continue to establish an online presence, they are finding that some

**OBJECTIVES OF THE STUDY**

The objective of the study is given below

1. To know the type of products purchased by consumers through Electronic shopping.
2. To identify the factors influencing the consumer to buy Online

**FREQUENTLY PURCHASED PRODUCTS ONLINE****Apparels**

2015 has seen a great hype in the e-commerce apparel business. And from then it is constantly increasing in number. E-Stores has integrated garments and clothing apparel along with customization options to create uniqueness among the rest. With the remarkable impact of fashion clothing among the Indian youngsters, Electronic stores are making huge deals out of apparel selling by targeting hyper-local markets as it works the best.

**Books**

Reading books is the favorite pastime of many people. If you're bitten by the book-bug too, then there is a massive collection of books for you to read. From bestsellers to new & future releases, the choices are

exhaustive when you shop Online at India's Largest Bookstore. From books for dummies to textbooks for students, there are a wide variety of books. You can explore the young adult's books store if you're looking to gift a nice book to a teenager, where you can find books from the best-selling series. Gone are the days, when books were always hand-held. In this digital age, there are Kindle eBooks which you can read on your Amazon Kindle. Some selected range of free eBooks is present if you want to download them on to your device. Apart from that, there are audio books, which can be used by those who prefer listening to reading. This is especially helpful for students who want to listen to recorded lectures by reputed professors, and also to those who can't read. When you shop Online, there are hot pre-orders. You can easily secure that book you've always wanted to read, as the book will be delivered at your doorstep soon after its official release. You also have easy access to most of the new arrivals, with book descriptions that help you get an idea about the book without spoilers.

### **Foot Wear**

Online has become one of the best places to find footwear including shoes, sandals, slippers, sneakers, etc. Both Men and Women shoppers are highly interested in buying footwear and we can also find top brands that are quite popular among customers. These days it's become very easy to get the best product both in terms of money and quality.

### **Electronics**

When it comes to Electronics, the clear winner would be "mobile phones"! More than 5 Million units of Smartphones have been sold over the last 2 years through India's leading e-commerce giants like Amazon, Flipkart, Snapdeal. Next will be the other categories including laptops, power banks, pen drive, digital cameras, etc. As long as the usage of technology improves, the demand for consumer Electronics comes along the way and it's quite unstoppable. E-marketers say the consumer Electronics category is the largest product category in e-commerce with an estimate of 22.8% of web sales expected to be 24.1% by 2020.

### **Kitchen & Home Furnishings**

Recent trends show home furnishing sales to skyrocket in the areas of home decor, kitchenware, and furniture. New innovations and the shifting towards innovation is the reason behind the boom in Electronic home furnishing industry. Bedroom and dining room furnishing to outpace the consumer interest in India and is continually improving at a rate of 6 to 7% year-over-year.

### **Food, Health & Beauty Supplements**

Diet and nutrition have evolved consumer interest based on trends. People search for all-in-one health mixes, weight loss products, green tea and other detox items that are getting popular over time. Online groceries also become quite common these days among busy working millennial to purchase grocery with just a click on E-Commerce websites.

### **Fashion Accessories**

Again comes the way for fashion lovers who purchase accessories Online like watches, bags, belts, matching purses, cell phone covers, hats, and other travel accessories. As these products are the least risk associated, Electronic retail sales are unbelievably getting wealthier with its never-ending craze.

## **THE FACTORS INFLUENCING CONSUMER TO BUY ONLINE**

### **Product Information**

There has to be product information in any of the standardized products which state or provides knowledge about the product and to promote the product. A patent is a contract with the government where the inventor agrees that details of the invention be published in exchange for a period of protection for the invention. Thus every detailed knowledge about the product has to be mentioned and to be informed to the consumers about the proper usage, climatic conditions, side-effects etc., knowledge has to be given to the consumers. It plays an important role so as to determine the acceptability of the product for usage. The items loaded on this factor are given below:-

- The information given about the products and services on the internet is sufficient.
- The description of products shown on the websites are very accurate

### **Electronic Payments**

Electronic payment refers to money that is exchanged electronically. Typically, this involves the use of computer networks, the internet and digital stored value systems. Electronic payment systems are e-commerce business allowing money transfers to be made only through the Internet. They function as a fast and secure Electronic alternative to traditional methods as cheques and money orders. Thus nowadays the Electronic

payment is a very big hit as all the merchants and companies are turning towards Electronic shopping which is thus more convenient to the consumers as well to the business. The certain factors which resist the consumers to make Electronic purchase are the fishing and risk factor.

**Thus the items loaded on this factor are given below**

- I could afford to pay a monthly fee to an Internet service provider in order to Shop Online
- Shopping Online is risky

**Convenience**

Electronic buying and selling have become an important part of many people's lives. Students and parents rely on the internet to acquire and sell textbooks at affordable prices, virtual stores allow people to shop from the comfort of their homes without the pressure of a salesperson, and online marketplaces provide a new and more convenient venue for the exchange of virtually all types of goods and services. One of the major reasons that many of the people turn to Electronic shopping as it due convenience in nature and as it saves a lot of time and effort as compared to real-time shopping. The convenience factor depends on particular individuals as such.

**Thus the items loaded on this factor are given below**

- Shopping Online would give me greater control over my shopping.
- Selection of goods available on the internet is very broad.
- The information given about the products and services on the internet is sufficient.
- Shopping Online would allow me to get better prices when shopping
- Online shopping is as secure as traditional shopping.

**Consumer Attitude**

Consumers are individuals with likes and dislikes. When the preponderance of people in a particular group feels one way or another about a product, service, entity, person, place or thing, it is said to be a generalized consumer attitude that could affect the marketing of that person, product or entity in positive or negative ways. Marketers strive to influence consumer attitudes, and understanding the prevailing attitude is the first step to changing it if needed. Thus consumer attitude is taken into very vital importance so as to know the changes required in the products with reference to the consumers. The consumer attitude will thus vary from different individuals with the effect of the surrounding environment, culture or society.

**The items loaded on this factor are given below**

- People who shop Online have greater prestige than those who do not.
- While shopping Online, I hesitate to give my credit card number.
- I prefer traditional/conventional shopping in Electronic shopping.
- Shopping Online allow me to have better item selection in my shopping.

**Easy Accessibility**

One of the major importance of online shopping is that due to its easy accessibility in nature. Many of the consumers turn to Electronic shopping only because it is very easy to use and one can make Online purchase with the click of the mouse. Even though it is easy to use it also depends on the good and fast internet connection as in the rural areas the Electronic shopping is yet to tarnish as there is lack of either power shortage or lack of connectivity.

**The items loaded on this factor are given below**

- It is a great advantage to be able to shop at any time of the day on the internet.
- Shopping Online allow me to have better item selection in my shopping.
- The fact that only those with a credit card or bank account can shop on the internet is a drawback.

**Notification about Availability**

The out of stock notification extension provides the option for consumers to subscribe to stock notification for the products directly from the product page. If a product is out of stock then a "Notify me" button is displayed and from the customer can enter the address that will be used to notify from once the items have returned to stock.

**Flexibility**

Electronic shopping as of now is catching up and many predict that online shopping will be the backbone of the business in services very soon. Every now and then business enterprises are adopting the Electronic shopping features on their particular products and especially as it is flexible in the sense that it is being monitored and the work is being carried in a very well structured format. The introduction of various features in the concept of Electronic shopping like that of cash on delivery, door delivery, trial and money back etc., are thus adding to the context of online shopping.

**The items loaded on this factor are given below**

- Internet reduces the monetary costs of traditional shopping to a great extent
- I think shopping on the internet saves time

**Key motivations to decide on the online purchase**

The decision making in online purchase looks very simple when a customer decides to buy the product. In order to arrive at a decision of buying a product the customer has to analyze various factors to finally motivate himself to buy the product the following are few factors which influence the decision of customer in deciding his Online purchase of a product:-

- Order Delivery lead time
- The reputation of the brand
- Guarantees and Warranties of the product provided by the brand
- Privacy of the information in customers transaction & information
- Description of goods
- Security in payments
- Returns policy
- Refund policy
- Prices

**CONCLUSION**

Electronic shopping is a new experience and has greatly impacted the lives of consumers in its short time of evolution. It is expected to grow constantly in years to come with advancements in technology. Electronic shopping has made consumers more effective and efficient in their shopping behavior and has driven business to a new level, forcing many to make the necessary adjustments and changes to reach the new market of knowledgeable consumers. The rapid growth of e-commerce has resulted in an E-transformation in the global retail infrastructure. The Internet has emerged as a cost-effective means of doing business. Despite being faced with numerous bottlenecks, Thanks to rising internet and higher incomes and a more savvy population. Secured online payments, better to Electronic Stores, return policies and exciting discounts could help the Perceptions of Shopping Benefits.

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**IMPACT OF GST ON ONLINE SHOPPERS**

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**ABSTRACT**

*Electronic commerce is simply otherwise to sustain or enhance existing business practices. Rather, e-commerce is a paradigm shift. It is a “disruptive” innovation it has radically ever-changing the normal means of doing business. It is showing tremendous business growth in our country. Increasing net users have other heaps to its growth. Ecommerce has helped industries in many ways and added a new sales avenue through online retail industry in our country. The present study has been undertaken to describe the present status of E-Commerce in India after the impact of GST that rolled on July 1st 2017. GST has created a huge havoc in many sectors, this study would enable us to understand its impact and problems on E-Commerce industry and its consumers in India.*

*Keywords: GST and E-Commerce.*

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**INTRODUCTION**

E-commerce is fast gaining traction in today's world. In easy terms, e-commerce may be delineate because the conduct of any business activity mistreatment the net as a medium. The scope of e-commerce is dynamic and systematically increasing. The online marketplace business model has been the foremost triple-crown model in India, given the foreign direct investment (FDI) and restrictive norms presently living. Therefore, this study focuses additional on on-line marketplaces whereas learning the e-commerce sector in India.

Multiple indirect taxes square measure presently levied on transactions in India. Some taxes square measure levied and picked up by the central government, whereas others square measure collected by state governments. Furthermore, because of the dynamic and complicated business models within that e-commerce player operate, the treatment of various e-commerce transactions beneath indirect taxes is fraught with ambiguity and disputes. Considering the problems plaguing the present tax regime, India is wheelwork up to introduce a comprehensive tax regime underneath the products and services tax (GST). Since the introduction of the GST regime can have an effect on the terribly fundamentals of however business is distributed in India, it's essential to mirror upon the impact on online market places. This paper starts with a short summary of the conditions underneath the prevailing tax regime. It then goes on to debate the contours of the GST proposal supported the offered data. Next, the paper makes an attempt to spot the key factors which may influence be necessary by on-line marketplaces for customer underneath the planned GST regime.

**LITERATURE REVIEW**

**Tuhin Banerjee (2018)** as studied about the growth of e-commerce in India has been substantial in the last decade. The growth of the sector has been affected by the number of issues in indirect taxation. The introduction of goods and service tax (GST) is expected to smooth the taxation for e-commerce operators. This chapter examines the key aspects of GST including existing taxes which would be replaced by GST, registration in GST, taxable event under GST, valuation in GST, payment process in GST, refund and audit in GST, and compliance process in GST. The chapter concludes that GST will ease doing business for e-commerce operators by providing a unified framework for indirect taxation.

**NEED OF THE STUDY**

Major E-Commerce companies in India are Amazon, Amazon India, Flipkart, Snapdeal, Myntra, FirstCry.com, Home Shop 18, Shop Clues, Jabong, ebay India, Naaptol, Yep me, Ola, Uber had dynamic change in their pricing system after implementation of GST. As it value added tax which is pass on by customer. This study finished to bring out impact of GST on Online shopper that is customers.

**STATEMENT OF PROBLEM**

Under the new tax regime, marketplace operators are mandatorily required to deduct a percentage amount as the GST liability on the customers and deposit it with government. To analyse problems faced by customers in online operators such as Amazon, Snapdeal and Flipkart after the implementation of GST. This paper is outcome of a review of varied analysis studies applied on Impact of GST on E-commerce towards customers.

**OBJECTIVE OF THE STUDY**

1. To study the impact of e-commerce on the Indian market.
2. To analyse the consumers attitude towards GST.
3. To comprehend the impact of GST on E-Commerce Sector and Online Consumers.
4. To evaluate the buying behaviour of consumers post GST.

**HYPOTHESIS OF THE STUDY**

- There is no significance relationship between age and level of impact of GST on online customer.

**RESEARCH METHODOLOGY**

The research was based on primary data. The data was collected by using Questionnaire and some information has been collected from journals, websites and so on. The researcher was not possible to study the entire population of online Shopper, so the researcher has collected only limited respondents i.e. 120 respondents.

**LIMITATION OF THE STUDY**

The limitations of the study include

1. The area of the study is restricted to online shoppers in Karaikudi town in Sivagangai District in Tamil Nadu only.
2. The content of the study is subject to change as GST is in the introductory phase.
3. The researcher has collected data only from 120 online shoppers due to time constraint.

**IMPACT OF ECOMMERCE ON THE INDIAN ECONOMY**

E-Commerce is a growing sector in India. Just like the expansion of IT trade in Asian country through the Nineteen Nineties, the 2010s are remembered for the expansion within the E-Commerce trade. In its gift state the contribution of E-Commerce to gross domestic product is around zero.2% that is predicted to grow fifteen times to around two.5% by 2030. The impact is therefore Brobdingnagian that the current wave of demonetisation may haven't been thought if E-Commerce didn't exist. E-Commerce to an outsized extent helped absorb its shock moreover as gained the utmost out of it moreover. By 2030 the contribution to GDP by E-Commerce is expected to reach to around three hundred Billion bucks that is around twenty Billion bucks in its gift state. After the initial wave of B2C E-Commerce, the B2B sector is gaining a lot of traction. 95% of the business in the B2B sector is still unorganised and E-Commerce will help organise by use of technology and other support functions.

The impacts of E-Commerce industry are still in very nascent stage but are visible. The impact at the instant will be seen within the following sectors:-

1. **Technology-** One of the major drivers of technology will be E-Commerce industry and vice versa. We square measure seeing new age technological solutions (AI/Machine Learning) being haunted to resolve the business issues to bring commerce to everybody digitally. This is seen in each B2C and B2B sector. Investment into technology sector is occurring to drive growth within the E-Commerce domain.
2. **Logistics-** Logistics industry is both a bottleneck and a driver for e-commerce industry. For the same we see how last mile and inter-city logistics solutions have come up to digitally connect the different stakeholders across the country. The Uber model of moving passengers is enforced in some kind or the opposite within the logistical sector. The growth of E-Commerce can drive innovation within the logistical sector to create the merchandise offered to the tip user.
3. **Travel-** At the instant seventieth of the contribution to E-Commerce comes from the travel sector which incorporates the web price ticket bookings to different travel arrangements. This has created the market competitive by transfer all players on constant platform and has additionally given client a lot of choices. Travel trade are earliest adopters to become fully digitised which are because of E-Commerce.
4. **Education-** One of the industries to have the most profound impact of E-Commerce is the education. The ability of E-Commerce to produce quality education to everyone seems to be vast. India can have one in every of the most important set of youth population and therefore the scope for education sector to be the most important achievers thanks to E-Commerce is bound.
5. **Other Industries-** The way of working in the Real Estate sector is already seeing the change because of the E-Commerce industry. This will amendment any with all property connected transactions coming back on-

line and obtaining closed on-line moreover. Banking sector is benefiting moreover with reduced operations price of on-line transactions. E-Commerce in health care has brought health connected solutions to the urban Asian country and can any penetrate deep into Tier I and Tier II cities.

6. Support Industries- There are various support industries which have developed because of E-Commerce. These square measure digital advertising, analytics, payment gateways etc.. These will become billion dollars sectors as E-Commerce grows exponentially.

Besides the impact to those industries, E-Commerce helps create the market additional competitive, driving as client expertise and driving accessibility of products to any or all. E-Commerce is additionally transfer transactions on-line that makes the system a lot of clear associate degree to an extent could any drive technological adoption. This will additionally facilitate in driving corruption levels down with everything coming back on-line. The impacts are profound and will evolve with time.

### IMPACT OF GST ON E-COMMERCE SECTOR AND ONLINE CONSUMERS

Under the new tax regime, marketplace operators are mandatorily required to deduct a percentage amount as the GST liability of seller and deposit it with government. This mechanism is being termed as “Tax assortment at supply (TCS)” beneath the GST law. Eventually the marketplace marketer can have to be compelled to file monthly come back beneath GST to say the credit of TCS collected by the marketplace operator. This will additionally impact the liquidity and income of those sellers. While all the marketplace operator have already completed the first level analysis of impact of GST on their operations, marketplace sellers are still unaware of those rules. Need of the hour is to stay themselves conscious of the changes that square measure progressing to come back. Also such sellers should now start planning their transition strategy for GST regime.

| E-Commerce Operator  | Not an Ecommerce Operator  | Not an Ecommerce Operator   |
|--|--|---|
| Amazon and Flipkart are e-commerce Operators because they are facilitating actual suppliers to supply goods through their platform (popularly called Market place model or Fulfilment Model) | Amazon and Flipkart will not be treated as e-commerce operators in relation to those supplies which they make on their own account (popularly called inventory Model). | Titan 78 supplying watches and jewels through its own website would not be considered as an e-commerce operator for the purposes of this provision. |

### ANALYSIS - IMPACT OF GST ON ONLINE SHOPPING

In order to analyse the consumer's attitude and behaviour towards the Implementation of Goods and Services Tax (GST) as online Shoppers, the researchers has collected and presented data in the following tables.

#### 1. Socio-Economic Profile of The Respondents

The researcher has collected the socio economic profile of the respondents such as age and gender to calculate the following as mentioned in the below table:

**TABLE -1: SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS**

| Factors | Classification | Frequency  | Percentage (%) | Mean | SD    | CV    |
|---------|----------------|------------|----------------|------|-------|-------|
| Age     | Below 25 years | 66         | 55.0           | 1.50 | 0.503 | 0.253 |
|         | Above 25 years | 54         | 45.0           |      |       |       |
|         | <b>Total</b>   | <b>120</b> | <b>100.0</b>   |      |       |       |
| Gender  | Male           | 40         | 33.3           | 1.67 | 0.473 | 0.223 |
|         | Female         | 80         | 66.7           |      |       |       |
|         | <b>Total</b>   | <b>120</b> | <b>100.0</b>   |      |       |       |

Source: Primary Data

From the Table -1 it can be understood that out of 120 respondents' 66 (55.0%) respondents in below 25 years followed by 54(45.0%) respondents in above 25 years, 40 (33.3 %) respondents are male and the remaining 80 (66.7%) respondents' female. From this we can interpret that the female respondents with the below the age of 25 years are shopping online as compare to the male respondents with the above 25 years.

**TABLE -2: PREFERRED PRODUCT AND APPLICATION BY THE ONLINE SHOPPERS**

| Factors               | Classification      | Frequency  | Percentage (%) | Mean | SD    | CV    |
|-----------------------|---------------------|------------|----------------|------|-------|-------|
| Preferred Application | Amazon              | 31         | 25.8           | 2.24 | 0.970 | 0.941 |
|                       | Flipkart            | 43         | 35.8           |      |       |       |
|                       | Snap deal           | 32         | 26.7           |      |       |       |
|                       | Myntra              | 14         | 11.7           |      |       |       |
|                       | <b>Total</b>        | <b>120</b> | <b>100.0</b>   |      |       |       |
| Preferred Product     | Electronics         | 63         | 52.5           | 1.76 | 0.870 | 0.756 |
|                       | Books               | 23         | 19.2           |      |       |       |
|                       | Fashion Accessories | 34         | 28.3           |      |       |       |
|                       | <b>Total</b>        | <b>120</b> | <b>100.0</b>   |      |       |       |

Source: Primary Data

From the Table -2 it can be determine that out of 120 respondents 43 (35.8%) respondents are using Flipkart application for online shopping followed by Snapdeal 32 (26.7%) and 31 (25.8%) respondents are Amazon application. Most of respondents are preferring Electronic product 63 (52.5%) followed by Fashion Accessories 34 (28.3 %) respondents. From this we can interpret that utmost respondents are using Flipkart application for buying Electronic product.

**TABLE-3: IMPACT OF GST ON ONLINE PRODUCT**

| Factors   | Classification      | Frequency  | Percentage (%) | Mean | SD    | CV    |
|---|---------------------|------------|----------------|------|-------|-------|
| Tax amount increased due to introduction of GST rate on product | Highly Dissatisfied | 0          | 0.0            | 3.09 | 0.686 | 0.471 |
|   | Dissatisfied        | 23         | 19.2           |      |       |       |
|   | Neutral             | 63         | 52.5           |      |       |       |
|   | Satisfied           | 34         | 28.3           |      |       |       |
|   | Highly Satisfied    | 0          | 0.0            |      |       |       |
|   | <b>TOTAL</b>        | <b>120</b> | <b>100</b>     |      |       |       |
| Requirement change in GST rate                                  | Highly Dissatisfied | 0          | 0.0            | 3.93 | 0.724 | 0.524 |
|   | Dissatisfied        | 0          | 0.0            |      |       |       |
|   | Neutral             | 36         | 30.0           |      |       |       |
|   | Satisfied           | 57         | 47.5           |      |       |       |
|   | Highly Satisfied    | 27         | 22.5           |      |       |       |
|   | <b>TOTAL</b>        | <b>120</b> | <b>100</b>     |      |       |       |
| GST reduced your interest in the online purchasing              | Highly Dissatisfied | 0          | 0.0            | 3.73 | 0.907 | 0.823 |
|   | Dissatisfied        | 0          | 0.0            |      |       |       |
|   | Neutral             | 70         | 58.3           |      |       |       |
|   | Satisfied           | 13         | 10.8           |      |       |       |
|   | Highly Satisfied    | 37         | 30.8           |      |       |       |
|   | <b>TOTAL</b>        | <b>120</b> | <b>100</b>     |      |       |       |
| Changes in price after the implementation of GST                | Highly Dissatisfied | 0          | 0.0            | 4.03 | 0.898 | 0.806 |
|   | Dissatisfied        | 0          | 0.0            |      |       |       |
|   | Neutral             | 46         | 38.3           |      |       |       |
|   | Satisfied           | 24         | 20.0           |      |       |       |
|   | Highly Satisfied    | 50         | 41.7           |      |       |       |
|   | <b>TOTAL</b>        | <b>120</b> | <b>100</b>     |      |       |       |

From the Table - 3 it can be determine that the respondents agrees statement that there is no need change in “Tax amount increased due to introduction of GST rate on product” with 63 (52.2 %) respondents, “GST reduced your interest the online purchasing” with 70 (58.3 %) respondents and “Changes in price after the implementation of GST” with 46 (38.3 %). 57 (47.5 %) respondents agree that it is required change in GST rate”.

## 2. RELATIONSHIP BETWEEN GENDER AND PRODUCT PREFERRED FOR ONLINE SHOPPING

The following table show that the relationship between gender and product preferred for online shopping. The analysis are frequency, Chi-Square test are presented in the below table.

**Ho:** ‘There is no significant difference between gender and product preferred for online shopping of the respondents’.

**TABLE-2.1: GENDER AND PRODUCT PREFERRED FOR ONLINE SHOPPING**

| Factor | Classification | Product Preferred For Online Shopping |       |                     | TOTAL | Chi - square | P VALUE (df= 2) |
|--------|----------------|---------------------------------------|-------|---------------------|-------|--------------|-----------------|
|        |                | Electronics                           | Books | Fashion Accessories |       |              |                 |
| Gender | Male           | 39                                    | 0     | 1                   | 40    | 4.876        | .000            |
|        | Female         | 24                                    | 23    | 33                  | 80    |              |                 |
| Total  |                | 63                                    | 23    | 34                  | 120   |              |                 |

With the help of the Chi-Square test the hypothesis is tested. The calculated value of Chi-Square test is 4.876 and ‘P’ value is .000. Since the calculated P value is lesser than 0.05 (P value > 5%), the null hypothesis is not accepted at five per cent level of significance. Hence it is concluded that the respondents’ gender is not associated with the product preferred. Both do not equally prefer online products.

### 3. RELATIONSHIP BETWEEN GENDER AND PRODUCT PREFERRED FOR ONLINE SHOPPING

The following table show that the relationship between gender and Application preferred for online shopping. The analysis are frequency and Chi-Square test are presented in the below table.

**Ho:** ‘There is no significant difference between gender and Application preferred for online shopping of the respondents’.

**TABLE -3.1: GENDER AND PRODUCT PREFERRED FOR ONLINE SHOPPING**

| Factor | Classification | Application Preferred For Online Shopping |          |          |        | TOTAL | Chi - square | P VALUE (df= 3) |
|--------|----------------|---|----------|----------|--------|-------|--------------|-----------------|
|        |                | Amazon                                    | Flipkart | Snapdeal | Myntra |       |              |                 |
| Gender | Male           | 7   | 18       | 8        | 7      | 40    | 5.770        | .123            |
|        | Female         | 24  | 25       | 24       | 7      | 80    |              |                 |
| Total  |                | 31  | 43       | 32       | 14     | 120   |              |                 |

With the help of the Chi-Square test the hypothesis is tested. The calculated value of Chi-Square test is 5.770 and ‘P’ value is 0.123. Since the calculated P value is higher than 0.05 (P value > 5%), the null hypothesis is accepted at five per cent level of significance. Hence it is concluded that the respondents’ gender is associated with the online application preferred. Both equally prefer online application.

### 4. RELATIONSHIP BETWEEN THE PREFERRED PRODUCT AND SATISFACTION LEVEL OF GST

In general there is an association between the respondents’ preferred product and satisfaction level of GST. The following table analysis is descriptive analysis. For this purpose the researcher has framed the hypothesis and tested it with the help of ANOVA test and the results are presented in Table 4.1

**Ho:** ‘There is no significant mean difference between the preferred product and satisfaction level of GST.

**TABLE-4.1: RELATIONSHIP BETWEEN THE PREFERRED PRODUCT AND SATISFACTION LEVEL OF GST**

|   |                     | N   | Mean | Std. Deviation | F        | Sig. |
|---|---------------------|-----|------|----------------|----------|------|
| Tax amount increased due to introduction of GST rate on product | Electronics         | 63  | 3.02 | .126           | 1617.198 | .000 |
|   | Books               | 23  | 2.00 | .000           |          |      |
|   | Fashion Accessories | 34  | 3.97 | .171           |          |      |
|   | Total               | 120 | 3.09 | .686           |          |      |
| Requirement change in GST rate                                  | Electronics         | 63  | 3.84 | .987           | .897     | .410 |
|   | Books               | 23  | 4.00 | .000           |          |      |
|   | Fashion Accessories | 34  | 4.03 | .171           |          |      |
|   | Total               | 120 | 3.93 | .724           |          |      |
| GST reduced your interest in the online purchasing              | Electronics         | 63  | 4.03 | .897           | 13.376   | .000 |
|   | Books               | 23  | 3.00 | .000           |          |      |
|   | Fashion Accessories | 34  | 3.65 | .950           |          |      |

|  |                     |     |      |      |        |      |
|--|---------------------|-----|------|------|--------|------|
|  | Total               | 120 | 3.73 | .907 |        |      |
| Changes in price after the implementation of gst | Electronics         | 63  | 4.25 | .967 | 27.282 | .000 |
|  | BOOKS               | 23  | 3.00 | .000 |        |      |
|  | FASHION ACCESSORIES | 34  | 4.32 | .475 |        |      |
|  | Total               | 120 | 4.03 | .898 |        |      |

Since p value is more than 0.05 the null hypothesis is accepted at 5 % level of significance. Hence it is concluded that there is no mean difference between Requirement changes in GST rate and preferred of the product of the respondents' in the study area.

#### RELATIONSHIP BETWEEN THE GENDER AND SATISFACTION LEVEL OF GST

In general there is an association between the respondents' gender and satisfaction level of GST. The following table analysis is descriptive analysis. For this purpose the researcher has framed the hypothesis and tested it with the help of ANOVA test and the results are presented in Table 4.2

Ho: 'There is no significant mean difference between the gender and satisfaction level of GST

**TABLE-4.2: RELATIONSHIP BETWEEN THE GENDER AND SATISFACTION LEVEL OF GST**

| Satisfaction level  | Gender | N   | Mean | Std. Deviation | Std. Error | F       | P Value |
|---|--------|-----|------|----------------|------------|---------|---------|
| Tax amount increased due to introduction of GST rate on product | Male   | 40  | 3.00 | .000           | .000       | 1.072   | .303    |
|   | Female | 80  | 3.14 | .838           | .094       |         |         |
|   | Total  | 120 | 3.09 | .686           | .063       |         |         |
| Requirement change in GST rate                                  | Male   | 40  | 4.35 | .949           | .150       | 24.838  | .000    |
|   | Female | 80  | 3.71 | .455           | .051       |         |         |
|   | Total  | 120 | 3.93 | .724           | .066       |         |         |
| GST reduced your interest in the online purchasing              | Male   | 40  | 4.68 | .474           | .075       | 145.967 | .000    |
|   | Female | 80  | 3.25 | .666           | .074       |         |         |
|   | Total  | 120 | 3.73 | .907           | .083       |         |         |
| Changes in price after the implementation of GST                | Male   | 40  | 5.00 | .000           | .000       | 166.228 | .000    |
|   | Female | 80  | 3.55 | .710           | .079       |         |         |
|   | Total  | 120 | 4.03 | .898           | .082       |         |         |

Since the most of the p value is less than 0.05 the null hypothesis is not accepted at 5 % level of significance. Hence it is concluded that there is mean difference between satisfaction level of GST rate and gender of the respondents' in the study area.

#### RELATIONSHIP BETWEEN THE AGE AND SATISFACTION LEVEL OF GST

In general there is a relationship between the respondents 'age and satisfaction level of GST. The following table analysis is descriptive analysis. For this purpose the researcher has framed the hypothesis and tested it with the help of correlation test and the results are presented in Table 4.3

Ho: 'There is no significant mean difference between the age and satisfaction level of GST

**TABLE-4.3: RELATIONSHIP BETWEEN THE AGE AND SATISFACTION LEVEL OF GST**

|  | Age     | Tax amount increased on products | Requirement of change In GST Rate | GST reduced your interest in the online purchasing | Changes in price after the implementation of GST |
|--|---------|----------------------------------|-----------------------------------|--|--|
| Age  | 1       | -.367**                          | .652**                            | .535**   | .229*  |
| Tax amount increased on product                    | -.367** | 1                                | .014                              | .162   | .445**   |
| Requirement of change In GST Rate                  | .652**  | .014                             | 0001                              | .608**   | .483**   |
| GST reduced your interest in the online purchasing | .535**  | .162                             | .608**                            | 1  | .868**   |

|   |  |        |  |        |   |
|---|--|--------|--|--------|---|
| Changes in price after the implementation of GST              | .229*  | .445** | .483**                                   | .868** | 1 |
| ** . Correlation Is Significant At The 0.01 Level (2-Tailed). | * . Correlation Is Significant At The 0.05 Level (2-Tailed). |        | Weak Uphill Positive Linear Relationship |        |   |

From the Table 5.6 it can be understood that there is a moderate linear relationship between 'age and satisfaction level of GST with the 'r' value of .652 (65.2%). It clearly shows that if the Satisfaction level can be agree to the study area in regarding to Age.

### FINDINGS & SUGGESTIONS

- New strategies can be followed by online companies to increase their consumers.
- GST Tax Rate on products preferred by low income people may be reduced.
- GST can be levied on luxury products.
- Rules and Regulations in GST can be simplified.
- The online companies may demeanour a survey for knowing the consumer necessitate and inclination.

### CONCLUSION

E-commerce entered Indian market around 2007, however among a brief span has remodelled the approach business wiped out India. With enticing and convenient searching choices at the core of the buyer facing business, the e-commerce business offers the facility to make innovative, sustainable, consistent and seamless searching expertise across all channels. This market has attracted quiet plenty of investors who have been actively financed in Republic of India since then. It has been foretold that about to 329.1 million individuals can purchase product and services on-line in India by 2020. This suggests that regarding 70.7 % of net users in India can have purchased product on-line by then. Seeing this as a spontaneous chance to develop our economy it's below the hands of the govt. to support this market and revise the tax rates.

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## CUSTOMER AWARENESS ONLINE SHOPPING IN SIVAGANGAI DISTRICT

R. Mugesh Kannan<sup>1</sup>, Dr. S. Ganapathy<sup>2</sup> and R. Vijayalakshmi<sup>3</sup>Research Scholar<sup>1,3</sup> and Professor<sup>2</sup>, Department of Commerce Alagappa University, Karaikudi**ABSTRACT**

*This research study aims to analyses the consumer awareness level towards the online shopping in sivagangai district. A structural questionnaire method has been used as a tool for collecting primary data from 186 sample respondents. 200 questionnaire was distributed and 186 filled the questionnaire was received and the same taken as the sample size for this study structure modeling has been used for analysis the collected data. The findings indicates that the awareness medium (T.V, E-mail, Website and Magazine) is highly significant and highly influence the online shopping awareness among the consumers.*

*Keywords: Online shopping, Awareness, Advertisement, Website and Online retailing.*

**INDRODUCTION**

Internet, started as a tool for sharing key information among a group of elite researchers, has quickly grown into a pervasive and disruptive technology which changes the way things work across all domains. It has made distance shorter and the world smaller. Today, things change faster than ever as to how a business works. There is a plethora of start-up companies that have popped up. All of them enabled by the power of the internet and they try to provide product and services to people in an innovative and convenient way, thereby providing new kind of experiences to the people or customers, The pace and the disruptive momentum of the technology is such that, notwithstanding the information sharing and provision, there are works on “the Internet of Things” shortly called IOT now, which deals not only with information sharing but also with information processing in real time, When these new products and services are out for usage, customers and technologists alike would obtain a totally new experience. However, technology is only one end of the spectrum. The other end is the consumers.

Customers today get to use and experience the technologies which create an impact on them. For example, the use of the internet for social activities via Face book, Twitter and What’s App has created a virtual society. The resulting feedback system is complex and needs a multidisciplinary approach like science. Technology, social science, psychology, neural science and so on to study together the relationship between the technology, its usage and the human behavior. Customers have different choices and their consuming pattern has changed. The people who are running the business are also adapting to it by providing new experiences to the customers. It is essential, however, to study the experience of the customers towards the existing technologies like e-commerce, online surfing, education, gaming and social activities so as to better the technologies and experiences of tomorrow. Among the online activities which have started with the history of online information or knowledge sharing, the recent activity of e-commerce is vibrant and dynamic.

E-commerce has demonstrated tremendous growth in the recent times. Online shopping is one aspect of this growth that has gone through an interesting transitional phase in recent times in India. Online shopping or e-shopping or m-shopping is a form of electronic commerce which allows customers to directly buy goods or services from a seller over the internet using a web browser or mobile application. Alternative names for online shopping are e-web-store, e-shop, e-store, internet shop, web-shop, web-store, online store, online store front, virtual store and mobile store, Online shopping provides all kinds of products and services like groceries, electronic goods, lifestyle goods, fashion, kitchen items, tickets, plumbing, electrical, books and so on. There has been a dramatic change in the way customers have altered their way of shopping. Although they continue to purchase from a physical store, customers feel very convenient to shop online since it frees them from personally visiting the physical store. Buying decisions can be made at ease from home looking at various choices and prices that can be easily compared with the competitors’ products. This has created an interesting and dynamic platform for buyers and sellers alike.

**REVIEW OF LITERATURE**

Pawel (2018) in his study entitled "Organic food online shopping in Poland" has addressed the relationship between fear of identity theft/fraud and online shopping, while identifying the most important factors affecting online shopping. This study uses a mixed method approach in which the quantitative analysis identifies patterns in the data, whereas the qualitative analysis offers in-depth interpretation. More fear actually predicts more online shopping but shoppers’ trust in the website’s willingness to



redress financial harm and risk-benefit analysis are the real factors in online shopping. The sample consists of Amazon users mostly so the findings may not apply to those who never shop on Amazon or never shop online at all. To encourage online shopping, online shopping websites should focus on maximizing the benefit and minimizing the risk, but without addressing the risk by reassuring shoppers of their financial security, emphasizing the benefit alone is ineffective. This is the first study addressing online shopping in terms of fear of victimization. It is also the first study that addresses risk and benefit in relative terms as in risk-benefit analysis measured by both quantitative and qualitative methods.<sup>1</sup>

Ajay & Anil (2018) in their study entitled "Leveraging utilitarian perspective of online shopping to motivate online shoppers" Have analysed selected characteristics, attitudes and opinions of organic food e-consumers (online shoppers) in Poland. A survey was conducted among 1,000 inhabitants of Poland aged 15-65. The sample resembled the general population, regarding: age, sex, education and the size of the city of origin. In total, 63 respondents reported buying organic food online. This segment was compared with the rest of the sample with the use of two-tailed t-tests. A logistic regression model was applied to identify the determinants of organic food online shopping in Poland. In a logistic regression model, age, income, willingness to pay (WTP) a premium price for organic food, importance attached to product appearance and to quality signs turned out to be statistically significant determinants of online shopping behaviour for organic food in Poland. Higher income, importance attached to quality signs and higher WTP increase the likelihood of being an organic e-consumer, while higher age and importance attached to product appearance decrease it. The findings may be useful for the industry due to the identification of the role of quality signs in online food purchases and of the importance of selected organic food consumption motives. To the best of the author's knowledge, this is the first study of organic food online shopping in Poland.<sup>2</sup>

Urvashi et al., (2017) in their study entitled "Analyzing customer satisfaction: users perspective towards online shopping" have explored Indian online shopping via the concept of shopping orientations. Surveys were collected from 536 consumer panel members. Online shopping segments were identified by using a two-step process that clustered respondents in terms of the similarity of their scores across four shopping orientations. Three segments were identified: value singularity, quality at any price, and reputation/recreation. The quality at any price and reputation/recreation segments was the predominant online shoppers. Although their orientations toward shopping differed, their behaviour, web site attribute ratings, and demographics were very similar except for occupation (managerial versus clerical, respectively). The finding that the value singularity segment is not the pioneer online shopper in India contrasts with the early online shoppers in the USA, who were often motivated by price. Although online shopping in India is on the verge of rapid growth, relatively little is known about most aspects of Indian consumer behaviour. This study begins to build a foundation of knowledge of Indian online shopping.<sup>3</sup>

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<sup>1</sup> Paweł Brył, (2018) "Organic food online shopping in Poland", British Food Journal, Vol. 120 Issue: 5, pp.1015-1027, <https://doi.org/10.1108/BFJ-09-2017-0517>.

<sup>2</sup> Ajay Kumar, Anil Kumar Kashyap, (2018) "Leveraging utilitarian perspective of online shopping to motivate online shoppers", International Journal of Retail & Distribution Management, Vol. 46 Issue: 3, pp.247-263, <https://doi.org/10.1108/IJRDM-08-2017-0161>

<sup>3</sup> Urvashi Tandon, Ravi Kiran, Ash Sah, (2017) "Analyzing customer satisfaction: users perspective towards online shopping", Nankai Business Review International, Vol. 8 Issue: 3, pp.266-288, <https://doi.org/10.1108/NBRI-04-2016-0012>

Mamoun et al., (2015) in their study "An integrated model of factors affecting consumer attitudes towards online shopping" have identified and analysed the key determinants influencing customer satisfaction towards online shopping in India. The literature concerning major attributes of website functionality, perceived usability, perceived usefulness and customer satisfaction in online retailing were reviewed. Data were collected from 365 respondents active in online shopping for examining the constructs. The model was empirically tested using structural equation modelling. The findings of the study revealed that perceived usefulness and website functionality have a positive impact on customer satisfaction, whereas perceived usability had a significant but negative impact on customer satisfaction. This is one of the preliminary study dealing with customer satisfaction towards online retailing in India. The scale has been extended to include items like satisfaction with cash on delivery mode of payment not included in previous scales. The scale of perceived usefulness has also been deepened by adding time performance, product performance and promotional performance.<sup>1</sup>

Nupur & Aggarwal, (2018) in their study entitled "The role of perceived benefits in formation of online shopping attitude among women shoppers in India" have examined an integrated model of factors affecting attitudes toward online shopping in Jordan. The paper introduces an integrated model of the roles of perceived website reputation, relative advantage, perceived website image, and trust that affect attitudes toward online shopping. A structured and self-administered online survey was employed targeting online shoppers of a reputable online retailer in Jordan; MarkaVIP. A sample of 273 of online shoppers was involved in the online survey. A series of exploratory and confirmatory factor analyses were used to assess the research constructs, uni-dimensionality, validity, and composite reliability (CR). Structural path model analysis was also used to test the proposed research model and hypotheses. The empirical findings of this study indicated that perceived website reputation, relative advantage, perceived website image, and trust have directly and indirectly affected consumers' attitudes toward online shopping. Online consumers' shopping attitudes are mainly affected by perceived relative advantage and trust. Trust is a product of relative advantage and that the later is a function of perceived website reputation. Relative advantage and perceived website reputation are key predictors of perceived website image. Perceived website image was found to be a direct predictor of trust. Also, the authors found that 26 percent of variation in online shopping attitudes was directly caused by relative advantage, trust, and perceived website image.<sup>2</sup>

### **NEED FOR THE STUDY**

Today, internet has captivated the attention of retail marketers. The internet, as a retail outlet, is growing from its infancy used by only a few to a market with significant potential. The internet and its shopping applications continue to grow not only in terms of quantum but also in terms of their importance to people and their lives. The rapid growth of e-commerce has great impact on the way of doing business. The characteristics of the global electronic market create a unique opportunity for companies to efficiently reach the existing and the new potential customers. Many physical obstacles hinder companies in their efforts to reach global markets. With advancements in communication and information technology, online marketers are able to reach a large number of customers scattered around the world, particularly in hard-to-reach areas.

Internet makes life simple and innovative. It provides new way like E-commerce to promote business. Websites become the essence of online business to show their services and products. Internet gathers all competitors and consumers in one place. It brings a new lane to promote, advertise products and services in the market. Establishing a store on the internet allows retailers to expand their market and reach out to consumers who may not otherwise visit the physical store. Though the online shopping is at nascent stage, the awareness of it plays a vital role in the global market to move towards the developed stage. Moreover, the online marketers need to know whether the customers are satisfied with the wide range of products and services scattered over the internet, which is necessary for the survival of the companies. There is a need to observe the customer awareness and satisfaction towards online shopping for the betterment of online shopping system.

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<sup>2</sup> Nupur Arora, Aanchal Aggarwal, (2018) "The role of perceived benefits in formation of online shopping attitude among women shoppers in India", *South Asian Journal of Business Studies*, Vol. 7 Issue: 1, pp.91-110, <https://doi.org/10.1108/SAJBS-04-2017-0048>

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**STATEMENT OF THE PROBLEM**

Rapid technological innovations and customers' response have created a complex system of entities interacting with each other. This has led to multidisciplinary research to address different factors involved in the system of e-commerce so as to get keen observations on the customers' behavior and attitude towards technological innovations, but this multidisciplinary approach itself is a complex process. Though at a high level, multiple disciplines are involved, observations and results need to be collected and analyzed at the individual discipline level before collating them for a more complex study.

Online shopping is one of the major aspects of the vibrant and dynamic e-commerce that has grown leaps and bounds in India. From the outlook, the customer awareness and satisfaction appear to be positive for online shopping, but studies on online shopping are required to analyses and make closer observations on the technology and the customer behavior to better the pertinent technology and customer experience. This would lead to positive network of systems, helping each other, Nevertheless, there is a gap between the online shopping technology and customers' awareness and satisfaction. This gap needs to be filled by studying them from the customers' perspective to make things in the future better. Therefore, the present research aims to analyze the online shoppers' awareness, level of satisfaction and level of opinion for the products purchased over the internet. Following are the research questions that are addressed in the present research.

1. How do the customers prefer particularly online shopping?
2. Do the respondents have sufficient awareness about the wide range of products and services offered through online shopping?
3. How are the customers level of satisfaction for the products purchased over the internet and what are the factors that determined it?
4. What are the opinions given by the customers for their online purchase?
5. What are the problems faced by the customers while shopping online?

**OBJECTIVE OF THE STUDY**

The study has been taken up with the general objective of finding the awareness and the satisfaction levels of the respondents towards online shopping. In this context, the following objectives have been set.

1. To analyze the influencing factors of awareness towards online shopping in sivagangai district.

**SCOPE OF THE STUDY**

The possibilities for the study of interaction between the online shopping technology and customers are wide and varied. From among the complex available variants, the present study has et its scope on the customer awareness and satisfaction towards online shopping because online shopping in India is in a growing phase, which means that not all customers are aware of online shopping methods, Due to the developing stage of online shopping, there could be problems in satisfying the customers, Hence it is important to consider and study the customer awareness and satisfaction towards online shopping, Which could help in the betterment of the ecosystem.

The products and services provided in the online shopping are broad. The present study covers products and services like fashion, electronic goods, ticket booking, groceries, books and magazines, accessories, furniture and home décor items that are more prevalent online. The scope of the study has been confined only to Sivagangai District. The study covers the technological means of internet web browser in its scope because during the initial study period, the mobile applications were not quite common, During the period of the study, rapid new technological innovations have led to new products, services and platforms which are not covered in the scope of the study.

**METHODOLOGY****Primary Data**

In order to fulfil the objectives of the study, the primary data are collected from online shoppers from Sivagangai District by using a well-structured questionnaire. A noteworthy feature is that all the respondents have filled the questionnaire with high zeal.

**Secondary Data**

The secondary data pertaining to the study are gathered from leading Journals such as International Journal of Retail & Distribution Management, Qualitative Market Research: An International Journal, Journal of Fashion Marketing and Management: An International Journal, Journal of the Academic Marketing Science, Journal of

Service Management, Journal of Service Marketing, Journal of Retailing, European Journal of Marketing, Journal of Service Research and so on. These journals are referred to obtain pertinent literature on the purchase decision, satisfaction and perceived service quality in Omni-channel e-tailing. A number of whitepapers, websites and standard books are referred to gather overview of Omni-channel e-tailing and research methods. A number of unpublished theses are referred to develop the research methods and instrumentation of the study.

### Sampling Technique

This study is both descriptive and analytical in nature. Convenient sampling is adopted through individual contacts from sample respondents of Sivagangai District in order to increase the number of respondents. The sample size is 186. At first stage 200 structured questionnaires has been distributed to the sample respondents and received 193 questionnaires. Finally, duly filled 186 questionnaires have taken as a sample size for this study.

### HYPOTHESES OF THE STUDY

Main hypotheses of the study are;

1. H1: Online shopping awareness is negatively influence the repurchase intention of online shopping.

### STATISTICAL TOOLS FOR THE STUDY

1. Correlation Matrix
2. Exploratory Factor Analysis
3. Confirmatory Factor Analysis
4. Structural Equation Modeling

### EXPLORATORY FACTOR ANALYSIS: ONLINE SHOPPING AWARENESS

**TABLE-4.1: KEY VARIABLES (ONLINE SHOPPING AWARENESS)**

| S.No | Statements  |
|------|---|
| 1    | I know groceries items are available in online shopping   |
| 2    | Furniture items are available in online shopping.   |
| 3    | I am aware of that the payments can be made on delivery of the products.  |
| 4    | Clothing and shoes can be bought through internet.  |
| 5    | Home decor items like flower and vases, clocks, lights, lamps, handicrafts, paintings, wall art, etc..are available in online shopping. |
| 6    | Kitchen items like dinner sets, coffee mugs, cutlery, bar accessories, cooker, kitchen storage.etc.. can be purchased through internet. |
| 7    | Home furnishings like bed sheets, carpets, bedcovers, rugs, towels,etc.. are available in online shopping.                              |
| 8    | Electronic items can be purchased in online shopping.   |
| 9    | Kid's toys are also available in online shopping.   |
| 10   | Jewelleries are available in online websites.   |
| 11   | Accessories like watches, sunglasses, belts, eyeglasses, wallets, pens, key chains, etc .. also can be purchased over internet.         |
| 12   | Availability of holiday bookings (Resorts/Rooms)  |
| 13   | Availability of travel tickets.   |
| 14   | Availability of entertainment tickets.  |
| 15   | Books and Magazines can also be purchased in internet shopping.   |
| 16   | Internet banking can be used for online shopping.   |
| 17   | Defective or wrong products can be returned back or exchanged in online shopping.   |
| 18   | Online orders can be tracked until its delivery.  |
| 19   | No installation charges for installable items.  |
| 20   | Online retailers should have secure payment certificate to assure that the payments are safe.   |
| 21   | Guidelines (Size, Dimension, etc..) are also provided to select the products easily.  |

**TABLE-4.2: CORRELATION MATRIX (ONLINE SHOPPING AWARENESS)**

|     | A1     | A2     | A3     | A4     | A5     | A6     | A7     | A8     | A9     | A10    | A11    | A12    | A13    | A14    | A15    | A16    | A17    | A18    | A19    | A20 |
|-----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----|
| A1  | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A2  | .551** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A3  | .435** | .557** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A4  | .402** | .457** | .599** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A5  | .480** | .556** | .531** | .534** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A6  | .467** | .521** | .584** | .589** | .635** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A7  | .220** | .249** | .278** | .359** | .259** | .245** | 1      |        |        |        |        |        |        |        |        |        |        |        |        |     |
| A8  | .318** | .361** | .416** | .417** | .413** | .446** | .468** | 1      |        |        |        |        |        |        |        |        |        |        |        |     |
| A9  | .258** | .281** | .410** | .292** | .334** | .357** | .434** | .502** | 1      |        |        |        |        |        |        |        |        |        |        |     |
| A10 | .146** | .070** | .177** | .372** | .281** | .327** | .300** | .356** | .434** | 1      |        |        |        |        |        |        |        |        |        |     |
| A11 | .241** | .152** | .245** | .291** | .293** | .318** | .443** | .463** | .533** | .456** | 1      |        |        |        |        |        |        |        |        |     |
| A12 | .133   | -.084  | .175** | .234** | .229** | .209** | .271** | .273** | .286** | .454** | .546** | 1      |        |        |        |        |        |        |        |     |
| A13 | .147** | .024   | .138   | .142   | .142   | .308** | .241** | .283** | .199** | .439** | .441** | .627** | 1      |        |        |        |        |        |        |     |
| A14 | .346** | .186** | .204** | .235** | .247** | .339** | .331** | .318** | .284** | .295** | .394** | .331** | .504** | 1      |        |        |        |        |        |     |
| A15 | .448** | .338** | .293** | .304** | .313** | .360** | .324** | .261** | .194** | .276** | .161** | .323** | .402** | .447** | 1      |        |        |        |        |     |
| A16 | .236** | .301** | .223** | .151** | .105   | .263** | .147** | .170** | .097   | .123   | .127   | .196** | .314** | .198** | .559** | 1      |        |        |        |     |
| A17 | .188** | .242** | .132   | .159*  | .154*  | .108   | .149*  | .102   | .071   | .058   | .213   | .224** | .232** | .056   | .296** | .604** | 1      |        |        |     |
| A18 | .185*  | .250** | .176*  | .208*  | .270   | .280   | .160*  | .211** | .150*  | .165*  | .212   | .324** | .301** | .228** | .452** | .610** | .566** | 1      |        |     |
| A19 | .132   | .167*  | .220** | .233** | .265** | .295** | .117   | .211** | .190** | .197** | .264** | .233** | .249** | .248** | .274** | .327** | .350** | .540** | 1      |     |
| A20 | .178*  | .231** | .232** | .192*  | .343** | .269** | .115   | .258** | .255** | .296** | .219*  | .275** | .232** | .165*  | .308** | .299** | .183*  | .481** | .646** | 1   |

In factor analysis, the analytical process is based on a matrix of correlation between the variables. Valuable insights can be gained from an examination of this matrix. If the factors analysis should be proper, the variables must be correlated. If the correlation between all the variables is very low and negligible, then the factor analysis may not be appropriate.

In the present study, Inter Correlation Matrix shown in Table 4.2 reveals that the correlation between all the variables are in good fit and hence the factor analysis is very appropriate for analyzing the Social Media usage of purchase decision criteria. The result of the fitness test regarding factor analysis based on Inter Correlation Matrix has been presented in table 4.2.

The KMO (Kaiser-Meyer-Olkin) measure of sampling adequacy has been computed to determine the suitability of using factor analysis. The values between 0.5 and 1.0 indicate that factor analysis is suitable or appropriate. The KMO test is presented in Table 4.3.

**TABLE-4.3: KMO AND BARTLETT'S TEST**

|  |                    |          |
|--|--------------------|----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |                    | .837     |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 1770.182 |
|  | df                 | 190      |
|  | Sig.               | .000     |

**TABLE-4.4: RELIABILITY STATISTICS**

|   |                       | N   | %     | Cronbach's Alpha | N of Items |
|---|-----------------------|-----|-------|------------------|------------|
| Cases   | Valid                 | 186 | 100.0 | .893             | 20         |
|   | Excluded <sup>a</sup> | 0   | .0    |                  |            |
|   | Total                 | 186 | 100.0 |                  |            |
| a. Listwise deletion based on all variables in the procedure. |                       |     |       |                  |            |

Table 4.3 indicates that the calculated value of KMO is 0.837 which shows that sample is adequate to conduct Exploratory Factor Analysis. Bartlett's Test of Sphericity also shows significant number of correlations among the statements. Thus, all the parameters discussed above support the application of factor analysis on the data. The scale has also been tested for reliability and the value of Cronbach's Alpha is 0.893. The Reliability test is given in the table 4.4.

**TABLE-4.5: COMMUNALITIES**

|    | Initial | Extraction |     | Initial | Extraction |
|----|---------|------------|-----|---------|------------|
| A1 | 1.000   | .605       | A11 | 1.000   | .688       |
| A2 | 1.000   | .730       | A12 | 1.000   | .652       |
| A3 | 1.000   | .627       | A13 | 1.000   | .741       |

|  |       |      |     |       |      |
|--|-------|------|-----|-------|------|
| A4   | 1.000 | .570 | A14 | 1.000 | .602 |
| A5   | 1.000 | .665 | A15 | 1.000 | .685 |
| A6   | 1.000 | .689 | A16 | 1.000 | .767 |
| A7   | 1.000 | .609 | A17 | 1.000 | .735 |
| A8   | 1.000 | .579 | A18 | 1.000 | .742 |
| A9   | 1.000 | .639 | A19 | 1.000 | .735 |
| A10  | 1.000 | .549 | A20 | 1.000 | .753 |
| Extraction Method: Principal Component Analysis. |       |      |     |       |      |

Table 4.5 explained the communalities of all the 10 variables and measures that the amount of variance a variable shares with all the other variables. It is a proportion of each variable's variance as explained by the principal component. A large communality means a large amount of the variance a variable has extracted by the factor solution. It shows that variables with a comparatively higher value are well-represented in the common factor space while the low value variables are not. Thus, the table indicates that the extracted communalities are high and acceptable for all the variables.

#### EXTRACTION METHOD: PRINCIPAL COMPONENT ANALYSIS

Exploratory Factor Analysis has been undertaken on the responses of 186 respondents regarding 10 statements, using SPSS 23.0 version, to examine the underlying dimensionality of the statements and to obtain the necessary factors. Principal Component Analysis (PCA) with orthogonal rotations and varimax procedure has been applied to 10 items for extracting the factors. Factors with Eigen values greater than unity have been selected. The results of factor analysis have been shown in table 4.6. It can be seen that Exploratory Factor Analysis revealed five underlying dimensions for Online shopping. These five factors explain 33.386% of total variance. On the basis of rotated component matrix the statements are categorized under respective factors as shown in table 4.6. Eigen values for Factor1, Factor2 and Factor3, Factor 4, Factor 5 are 6.677, 2.294, 2.083, 1.260 are 1.051 respectively.

**TABLE-4.6: TOTAL VARIANCE EXPLAINED**

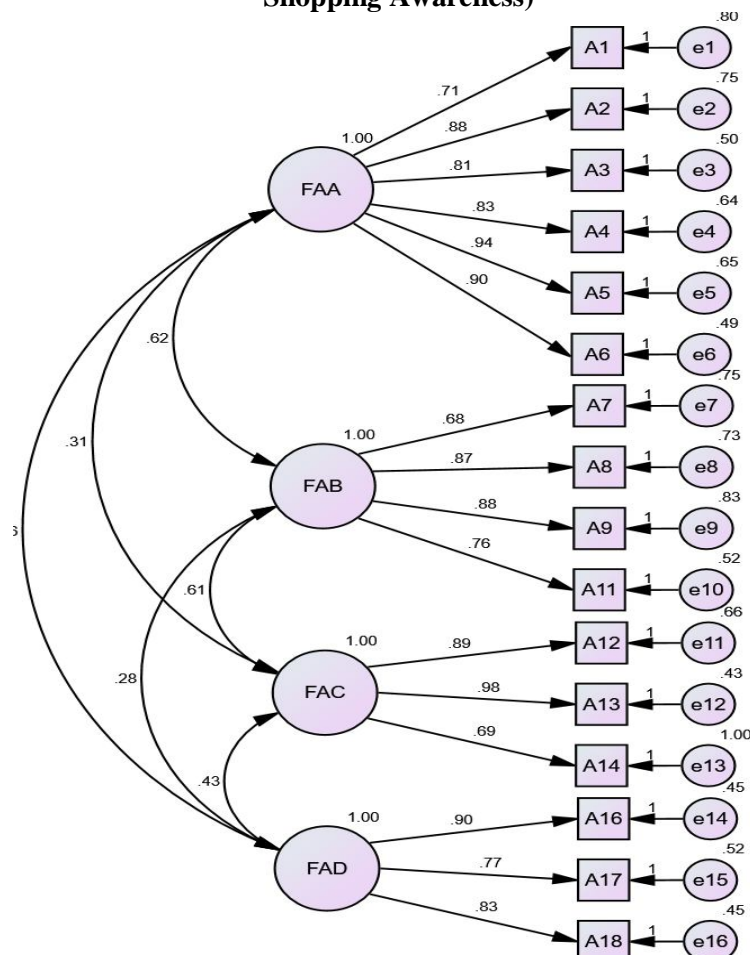
| Component  | Initial Eigenvalues |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|--|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|  | Total               | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1  | 6.677               | 33.386        | 33.386       | 6.677                               | 33.386        | 33.386       | 3.873                             | 19.365        | 19.365       |
| 2  | 2.294               | 11.470        | 44.856       | 2.294                               | 11.470        | 44.856       | 2.634                             | 13.169        | 32.534       |
| 3  | 2.083               | 10.415        | 55.271       | 2.083                               | 10.415        | 55.271       | 2.507                             | 12.534        | 45.068       |
| 4  | 1.260               | 6.299         | 61.570       | 1.260                               | 6.299         | 61.570       | 2.415                             | 12.075        | 57.142       |
| 5  | 1.051               | 5.253         | 66.823       | 1.051                               | 5.253         | 66.823       | 1.936                             | 9.680         | 66.823       |
| 6  | .863                | 4.313         | 71.136       |                                     |               |              |                                   |               |              |
| 7  | .707                | 3.535         | 74.670       |                                     |               |              |                                   |               |              |
| 8  | .642                | 3.212         | 77.882       |                                     |               |              |                                   |               |              |
| 9  | .600                | 2.999         | 80.882       |                                     |               |              |                                   |               |              |
| 10   | .537                | 2.685         | 83.567       |                                     |               |              |                                   |               |              |
| 11   | .523                | 2.616         | 86.183       |                                     |               |              |                                   |               |              |
| 12   | .453                | 2.267         | 88.450       |                                     |               |              |                                   |               |              |
| 13   | .418                | 2.089         | 90.539       |                                     |               |              |                                   |               |              |
| 14   | .358                | 1.789         | 92.328       |                                     |               |              |                                   |               |              |
| 15   | .332                | 1.662         | 93.990       |                                     |               |              |                                   |               |              |
| 16   | .299                | 1.495         | 95.485       |                                     |               |              |                                   |               |              |
| 17   | .270                | 1.352         | 96.837       |                                     |               |              |                                   |               |              |
| 18   | .244                | 1.220         | 98.057       |                                     |               |              |                                   |               |              |
| 19   | .205                | 1.023         | 99.080       |                                     |               |              |                                   |               |              |
| 20   | .184                | .920          | 100.000      |                                     |               |              |                                   |               |              |
| Extraction Method: Principal Component Analysis. |                     |               |              |                                     |               |              |                                   |               |              |

TABLE 4.7

| Rotated Component Matrix <sup>a</sup> |           |      |      |      |      |
|---------------------------------------|-----------|------|------|------|------|
|                                       | Component |      |      |      |      |
|                                       | 1         | 2    | 3    | 4    | 5    |
| A1                                    | .712      |      |      |      |      |
| A2                                    | .791      |      |      |      |      |
| A3                                    | .736      |      |      |      |      |
| A4                                    | .673      |      |      |      |      |
| A5                                    | .736      |      |      |      |      |
| A6                                    | .746      |      |      |      |      |
| A7                                    |           | .685 |      |      |      |
| A8                                    |           | .622 |      |      |      |
| A9                                    |           | .737 |      |      |      |
| A11                                   |           | .728 |      |      |      |
| A12                                   |           |      | .653 |      |      |
| A13                                   |           |      | .807 |      |      |
| A14                                   |           |      | .707 |      |      |
| A16                                   |           |      |      | .829 |      |
| A17                                   |           |      |      | .831 |      |
| A18                                   |           |      |      | .682 |      |
| A19                                   |           |      |      |      | .783 |
| A20                                   |           |      |      |      | .818 |

Extraction Method: Principal Component Analysis.  
 Rotation Method: Varimax with Kaiser Normalization.  
 a. Rotation converged in 8 iterations.

FIGURE-4.1: STANDARDIZED FACTOR LOADINGS FOR MEASUREMENT MODEL (Online Shopping Awareness)



**TABLE-4.8: REGRESSION WEIGHTS**

|     |      |     | Estimate | S.E. | R <sup>2</sup> | C.R.   | P   |
|-----|------|-----|----------|------|----------------|--------|-----|
| A4  | <--- | FAA | .832     | .077 | 0.71           | 10.831 | *** |
| A7  | <--- | FAB | .681     | .080 | 0.88           | 8.497  | *** |
| A8  | <--- | FAB | .868     | .085 | 0.81           | 10.201 | *** |
| A9  | <--- | FAB | .876     | .089 | 0.83           | 9.810  | *** |
| A11 | <--- | FAB | .764     | .073 | 0.94           | 10.434 | *** |
| A12 | <--- | FAC | .889     | .086 | 0.90           | 10.378 | *** |
| A13 | <--- | FAC | .977     | .082 | 0.68           | 11.864 | *** |
| A14 | <--- | FAC | .694     | .091 | 0.87           | 7.657  | *** |
| A16 | <--- | FAD | .904     | .077 | 0.88           | 11.719 | *** |
| A17 | <--- | FAD | .773     | .074 | 0.76           | 10.474 | *** |
| A18 | <--- | FAD | .829     | .074 | 0.89           | 11.249 | *** |
| A1  | <--- | FAA | .709     | .079 | 0.98           | 8.914  | *** |
| A6  | <--- | FAA | .900     | .073 | 0.69           | 12.276 | *** |
| A5  | <--- | FAA | .941     | .081 | 0.90           | 11.634 | *** |
| A3  | <--- | FAA | .808     | .071 | 0.77           | 11.460 | *** |
| A2  | <--- | FAA | .875     | .082 | 0.83           | 10.620 | *** |

**TABLE-4.9: ONLINE SHOPPING (STANDARDIZED FACTOR LOADINGS)**

| Labels     | Standardized Factor Loadings |              |              |              |
|------------|------------------------------|--------------|--------------|--------------|
|            | A                            | B            | C            | D            |
| A4         | .832                         |              |              |              |
| A1         | .709                         |              |              |              |
| A6         | .900                         |              |              |              |
| A5         | .941                         |              |              |              |
| A3         | .808                         |              |              |              |
| A2         | .875                         |              |              |              |
| A12        |                              | .889         |              |              |
| A13        |                              | .977         |              |              |
| A14        |                              | .694         |              |              |
| A7         |                              |              | .681         |              |
| A8         |                              |              | .868         |              |
| A9         |                              |              | .876         |              |
| A11        |                              |              | .764         |              |
| A16        |                              |              |              | .904         |
| A17        |                              |              |              | .773         |
| A18        |                              |              |              | .829         |
| <b>AVG</b> | <b>0.530</b>                 | <b>0.521</b> | <b>0.504</b> | <b>0.594</b> |
| <b>CR</b>  | <b>0.871</b>                 | <b>0.761</b> | <b>0.782</b> | <b>0.814</b> |

Table 4.8 shows the regression coefficient of the exogenous variables. It is inferred that all the measured variables are significant at 1 percent level. Hence, it is concluded that all the variables are highly influenced to determine the customers social media purchase of decision criteria. In order to establish convergent validity of the construct standardized factor loadings have been reviewed, According to (Hair et.al., 2010) for establishing convergent validity, standardized loadings should be 0.50 or higher, average variance extracted (AVE) should be 0.50 or greater than 0.50. all the factor item loadings ranged from 0.709 to 0.977 (Table 4.9).

**TABLE-4.10: TESTING OF CONVERGENT VALIDITY**

| Factors  | Acceptable value |                 | Calculated value |       | CR > AVE |
|----------|------------------|-----------------|------------------|-------|----------|
|          | CR               | AVE             | CR               | AVE   |          |
| <b>A</b> | <b>&gt; 0.7</b>  | <b>&gt; 0.5</b> | <b>0.871</b>     | 0.530 |          |
| <b>B</b> |                  |                 | 0.761            | 0.521 |          |
| <b>C</b> |                  |                 | 0.782            | 0.504 |          |
| <b>D</b> |                  |                 | 0.814            | 0.594 |          |



Thus, all are above the minimum limit of 0.50. Average variance explained for four dimensions (A,B,C,D,) 0.530, 0.521, 0.504, 0.594 respectively. Thus, all AVEs for each dimension of customers social media purchase of decision criteria exceed the variance attributes to measurement error. (i.e.,  $AVE > 0.50$ ). Thus, convergent validity of five dimensional purchase of decision online shopping scales have been tested and established. It is the extent to which a construct is truly uni-dimensional and is distinct from other construct. In other words if the inter- correlations among the set of indicators., which are supposed to measure to different latent constructs, are not too high, then they exhibit discriminant validity. The discriminant validity of the constructs have been computed and depicted in Table 4.11.

**TABLE-4.11: TESTING OF DISCRIMINANT VALIDITY**

| Factors | Calculated value |       |       | Acceptable value |         |
|---------|------------------|-------|-------|------------------|---------|
|         | AVE              | MSV   | ASV   | AVE>MSV          | AVE>ASV |
| A       | 0.530            | 0.391 | 0.206 |                  |         |
| B       | 0.521            | 0.377 | 0.222 |                  |         |
| C       | 0.504            | 0.391 | 0.283 |                  |         |
| D       | 0.594            | 0.188 | 0.132 |                  |         |

**TABLE-4.12: MODEL FIT INDICES**

| S.No | Model Fit Indices                     | Calculated Value | Criteria |
|------|---------------------------------------|------------------|----------|
| 1    | Comparative Fit Index (CFI)           | 0.896            | 0-1      |
| 2    | Normed Fit Index (NFI)                | 0.833            | 0-1      |
| 3    | Tucker Lewis Index (TLI)              | 0.873            | 0-1      |
| 4    | Parsimonious Normed Fit Index (PNFI)  | 0.680            | 0-1      |
| 5    | Parsimony Comparative Fit Index(PCFI) | 0.732            | 0-1      |
| 6    | Relatives Fit Index (RFI)             | 0.796            | 0-1      |
| 7    | Incremental Fit Index (IFI)           | 0.898            | 0-1      |
| 8    | Adjusted Goodness of Fit Index(AGFI)  | 0.820            | 0-1      |
| 9    | Goodness of Fit Index (GFI)           | 0.870            | 0-1      |

In the Table 4.12, it is disclosed that the entire test has the range of 0 to 1. The Comparative Fit Index (CFI) score 0.896, Normal Fit Index (NFI) score 0.833, Tucker Lewis Index (TLI) scores 0.873, Parsimonious Normed Fit Index (PNFI) score 0.680, Parsimony Comparative Fit Index (PCFI) scores 0.732, Relatives Fit Index (RFI) score 0.796, Incremental Fit Index (IFI) scores 0.898, Adjusted Goodness of Fit Index (AGFI) score 0.820, Goodness of Fit Index (GFI) scores 0.870.

### LIMITATION OF THE STUDY

1. There is always a suspicion that my research that relies on qualitative information and data has its own limitation i.e., biased information and data Perhaps this research might come across biased information from the respondents. Moreover, as this study is restricted to Sivagangai district, it could not be generalized to other places because of the differences in standard of living of the people, lifestyle, culture, and everything.
2. Since the data is collected through customer survey, survey error could have crept into the data.
3. The present study is confined to Sivagangai district only and the sample size is limited to only 186 respondents, so the conclusion drawn may not be truly generalizable.

### SUGGESTIONS

The emerging concept of online shopping has captured the interest of retail business, financial institutions, telecommunications, service providers, government officials and consumers by virtue of its unique characteristics. Although there are numerous advantages of online shopping to the society as well as individuals such as 24-hour access, absence of intermediaries, convenience, and time savings and so on, still there are some negative concerns of online shopping and certain challenges need to be overcome.

Based on the findings of the study, the following suggestions have been made to the policy makers and marketers to attract and retain more online customers.

1. As there are no proper laws for online purchases, they have to be implemented to prevent the anonymous intruders. This would help to properly maintain security and to prevent the theft of confidential information concerning the respondents. So, the website developers, service providers and the security organizations concerned should take necessary steps to overcome this problem.

2. One of the major drawbacks that the respondents have felt is that it is not possible to see / touch the product in person. E-tailors need to create such an environment as it is in physical store by creating novel web designs and portals, sophisticated web atmosphere, e-mail updates and live interaction over the internet, this would create an inner satisfaction for the online shoppers which would encourage them to purchase more products over the internet.
3. The online vendors should start their service centers in all major cities. In case of foreign companies, they should direct the nearest service centers. A forum should be given to the customers to register their complaints and feedback. This could help to rectify the consumer's problem within a short span of time. This will create consumers' confidence on online vendors and service providers.

## **CONCLUSION**

The increasing power of the internet has brought forth a new generation of interaction between humans and computers. One major development from the technology is the e-commerce where conventional business activities are now carried out online.

The findings of the present study have revealed important insights into customer awareness, satisfaction and opinion levels that can be used by online retailers for the betterment of the overall system of online shopping. Convenience, time saving, verity of products, 24/7 shopping facility, availability of product reviews are the main influencing factors for preferring online shopping than traditional shopping. Though there are more online shopping sites, Flipkart has gained more preferred website by the respondents. The demographic factors taken for the study have significantly influenced the level of awareness about online shopping expect family size. The variables like Quick response is available from the online retailers if there is a problem or queries (QRP), Tax and other charges are clearly detailed in online purchase (TCD), Ease of check-out process while shopping through internet (ECP), I can avoid lifting heavily in traditional shopping (ALH), Required stock information is available throughout the buying process (RSI), Ease of purchase through internet (EOP), The range of products for selection in online is broad (RPB), Products purchased through internet are conveniently packed (PCP), I think online retailers show more passion to serve customers (MPS), It is really convenient to shop online (RCS), On-time delivery is a great plus for online shopping (OTD), Accurate calculation of total price when ordering the products through internet (CTP) and Websites are well-designed which attracts everyone and tempts to purchase more (WDP) highly influence the customers satisfaction towards online shopping. All the manifest variables except the variable detail information is available while shopping online (INF) are positively correlated with the customer's opinion towards online shopping in Bangalore city. In the present study, level of awareness and level of satisfaction of the online shoppers are satisfactory.

## A STUDY ON DEPOSIT MOBILIZATION OF STATE BANK OF INDIA

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## ABSTRACT

The present study is deposit mobilization of State Bank of India. In this paper an attempt is made to evaluate the t-test, growth rate and compound annual growth rate in deposit mobilization of State Bank of India during the period from 2009-10 to 2018-19. The data required for the study has been collected from State Bank of India Annual Reports only. State bank of India is the largest bank of India in public sector bank. Deposit mobilization is primary function of all banking sectors. The researcher concluded that, there has been a remarkable growth in mobilization of all types (Demand, Saving, Term) of deposits in State Bank of India.

**Keywords:** Deposit Mobilization, Demand Deposits, Saving Deposits, Term Deposits.

## INTRODUCTION

The basic perform of a banker is accepting of money from the general public by manner of deposits and deploying constant by suggests that of loans and investments<sup>1</sup>. Deposits are the key to a bank's potential growth. Total deposits have accrued considerably over time. The majority of resources utilized by a modern banker consists of borrowed money-largely deposits-which are lent out as profitably as is consistent with safety. In fact, one amongst the best strength of a bank is its level of customer Deposits that additionally it to attain a lower cost of funds than the value of difference sources of funds. An accretion to deposits, in thus far as they provide the banker with more money, constitutes the idea for further bank lending<sup>2</sup>.

The bank deposits are broadly classified into three types (i) Current Deposits (ii) Saving Deposits and (iii) Term Deposits. **Current Deposits:** It is a deposit generally used by businessman, industrialised and other to settle debts. The current deposits, on which cheques are issued, re also known as cash deposits or demand deposits. **Saving Deposits:** Most people as a form of saving maintain these deposits so as to earn interest from the banks. The saving deposits are not only held to meet the needs of the present or the ner future but are also kept by individuals as part of their total stock of wealth. **Term Deposits:** In this deposits, deposited money will be kept by bank for some specified terms. The money can be withdrawn only after a given period of time or term

## REVIEW OF LITERATURE

S.Venkatesan (2012)<sup>3</sup>, in him, study "An Empirical Approach to Deposit Mobilization of Commercial Banks in Tamilnadu", the researcher evaluates the trend and growth in deposit mobilization of scheduled commercial banks in Tamil Nadu during the study period from 1999-2000 to 2008-2009. The fellow concluded that there was a significant uptrend and growth in current deposits in terms of value despite there was a significant decline in number current deposit accounts in scheduled commercial banks in Tamil Nadu during the study period from 1999-00 to 2008-09. Regarding saving deposits, it is concluded that there was a significant trend and growth in it both in terms of the number of accounts and in value (amount). But the situation was different in the case of term deposits in scheduled commercial banks. The number of term deposits exhibited a significant growth and trend but there was neither decrease nor increase it when evaluated by value. On the whole, the researcher concluded that the scheduled commercial banks in Tamil Nadu performed well in deposit mobilization in ten years from 1999-00 to 2008-09.

## STATE BANK OF INDIA

The State Bank of India is an Indian multinational public sector banking and financial services company. It is a government-owned corporation headquartered in Mumbai, Maharashtra. The company is ranked 216<sup>th</sup> on the Fortune Global 500 list of the world's biggest corporations as 2017. State Bank of India is the largest bank in India with a 23 per cent market share in assets, besides a share of one-fourth of the total loan and deposits market. The bank descends from the Bank of Calcutta, founded in 1806, via the Imperial Bank of India, making it the oldest commercial bank in the Indian subcontinent. The Bank of Madras merged into the other two

<sup>1</sup> Indian Institute of Banking and Finance, "Principles Practices of Banking", 2<sup>nd</sup> Edition, Macmillan India Limited, pp.105.

<sup>2</sup> H.R. Suneja, "Management of Bank Credit", Himala Publishing House, Delhi, 1992, pp.5

<sup>3</sup> Venkatesan. S (2012), "An Empricial Approach to Deposit Mobilization of Commercial Banks in Tamilnadu", IOSR Journal of Business and Management, Issue. 2, Vol. 4, Sep- October, pp 41-45.

presidency banks in British India, the Bank of Calcutta and the Bank of Bombay, to form the Imperial Bank of India, Which in turn became the State Bank of India in 1955.

## METHODOLOGY

The present study was mainly based on secondary data. The required secondary data were collected from State Bank of India Annual reports. The study covers a period of ten years from 2009-10 to 2018-19.

## DATA ANALYSIS AND INTERPRETATION

### 1. GROWTH RATE OF DEMAND DEPOSITS IN STATE BANK OF INDIA

The trend and growth rate of demand deposits (DD) for the year from 2009-10 to 2018-2019 of State Bank of India were analyzed and the results are presented in Table 1

**TABLE-1: GROWTH RATE OF DEMAND DEPOSITS AMOUNT IN SBI DURING THE PERIOD 2009-10 to 2018-2019**

| Year           | Demand Deposits from Banks |        | Demand Deposits from Others |        | Total Demand Deposits |        |
|----------------|----------------------------|--------|-----------------------------|--------|-----------------------|--------|
|                | Amount (Rs.)               | GR (%) | Amount (Rs.)                | GR (%) | Amount (Rs.)          | GR (%) |
| <b>2009-10</b> | 10616<br>(7.32)            | --     | 134448<br>(92.68)           | --     | 145064                | --     |
| <b>2010-11</b> | 10003<br>(6.49)            | -5.77  | 144177<br>(93.51)           | 7.24   | 154180                | 6.28   |
| <b>2011-12</b> | 6969<br>(7.08)             | -30.33 | 91480<br>(92.92)            | -36.55 | 98449                 | -36.15 |
| <b>2012-13</b> | 7345<br>(6.52)             | 5.40   | 105334<br>(93.48)           | 15.14  | 112679                | 14.45  |
| <b>2013-14</b> | 6041<br>(5.34)             | -17.75 | 107191<br>(94.66)           | 1.76   | 113232                | 0.49   |
| <b>2014-15</b> | 5941<br>(4.77)             | -1.66  | 118630<br>(95.23)           | 10.67  | 124571                | 10.01  |
| <b>2015-16</b> | 5735<br>(4.10)             | -3.47  | 134071<br>(95.90)           | 13.02  | 139806                | 12.23  |
| <b>2016-17</b> | 5507<br>(3.61)             | -3.98  | 146913<br>(96.39)           | 9.58   | 152420                | 9.02   |
| <b>2017-18</b> | 5326<br>(2.80)             | -3.29  | 184847<br>(97.20)           | 25.82  | 190173                | 24.77  |
| <b>2018-19</b> | 6894<br>(3.35)             | 29.44  | 198980<br>(96.65)           | 7.65   | 205874                | 8.26   |
| <b>Total</b>   | 70377                      | -31.41 | 1366071                     | 54.33  | 1436448               | 49.37  |
| <b>Average</b> | 7037.7                     | -3.49  | 136607.1                    | 6.04   | 143645                | 5.49   |

Source: SBI Annual Reports

**Note: 1. Figures in Parentheses denote % to total advances**

### 2. GR denotes Growth Rate

Table 1 depicts the demand deposits of SBI from 2009-10 to 2018-19

Table 1 helps to infer the following

- Throughout the study period, there is an increasing trend in the Total Demand Deposits of SBI. It is increased from Rs. 145064 crore to Rs.205874 crore representing the growth of 1.42 times
- During the study period, the corresponding increase in
  - 1.48 times in Demand Deposits from Others
  - 0.65 times in Demand Deposits from Banks

Performance of SBI is encouraging in “Demand Deposits from Others” and “Demand Deposits from Banks” during the period under study.

- During the study period, the SBI have witnessed a fluctuating trend in the Growth Rate of both total demand deposits as a whole as well as in each deposit. It range from
  - 36.15 % to 24.77 % in Total Demand Deposits of SBI

b. -36.55 % to 25.82 % in Demand Deposits from Others

c. -30.00 % to 29.44 % in Demand Deposits from Banks

An erratic trend in the growth rate in experienced by SBI fewer than three segments viz, “Total Demand Deposits”, “Demand Deposits from Others” and “Demand Deposits from Banks”.

4. During the study period, the Average Total Demand Deposits of SBI stood at Rs. 1436448 crore. The corresponding figure of these banks during the period under reference is

a. Rs.136607 crore in Demand Deposits from Others.

b. Rs. 7037 crore in Demand Deposits from Bank.

In terms of average total deposits there is no much variation in financing different deposits of the economy by SBI during the study period.

5. During the study period, the Average Growth Rate of Total Deposits stood at

a. 5.49 % in Total Demand Deposits

b. 6.04 % in Demand Deposits from Others

c. -3.49 in Demand Deposits from Banks

6. During the period under study the Percentage to Total Deposits of SBI range from

a. 3.35 % to 7.32 % in Demand Deposits from Banks

b. 96.65 % to 92.68 % in Demand Deposits from Others

Throughout the study, the percentage to total deposits of Demand Deposits from Others is higher and its is followed by Demand Deposits from Banks.

7. During the study period, the Annual Growth Rate of Demand Deposits was higher than that of Average Growth Rate in

a. 7 out of 9 years in total Demand Deposits (2010-11,2012-13,2014-15,2015-16,2016-17,2017-18,2018-19)

b. 7 out of 9 years in Demand Deposits from Others (2010-11,2012-13,2014-15,2015-16,2016-17,2017-18,2018-19).

From the above analysis of composition of advances of the SBI, one can witness that there is movement of the deposits from Demand Deposits from Others.

## 2 GROWTH RATE OF SAVING DEPOSITS IN STATE BANK OF INDIA

The trend and growth rate of saving deposits (SD) for the year from 2009-10 to 2018-2019 of State Bank of India were analyzed and the results are presented in Table 2

**TABLE-2: TREND AND GROWTH RATE OF SAVING DEPOSITS AMOUNT IN SBI DURING THE PERIOD 2009-10 to 2018-2019**

| Years   | Saving Bank Deposits |        |
|---------|----------------------|--------|
|         | Amount (Rs.)         | GR (%) |
| 2009-10 | 331152               |        |
| 2010-11 | 409609               | 23.69  |
| 2011-12 | 369156               | -9.88  |
| 2012-13 | 426383               | 15.50  |
| 2013-14 | 485167               | 13.79  |
| 2014-15 | 527332               | 8.69   |
| 2015-16 | 597746               | 13.35  |
| 2016-17 | 758961               | 26.97  |
| 2017-18 | 1013774              | 33.57  |
| 2018-19 | 1091751              | 7.69   |
| Total   | 6011031              | 133.38 |
| Average | 601103               | 14.82  |

Source: SBI Annual Reports

**Note: 1. Figures in Parentheses denote % to total advances**

## 2. GR denotes Growth Rate

Table 2 depicts the saving deposits of SBI from 2009-10 to 2018-19

Table 2 helps to infer the following

1. Throughout the study period, there is an increasing trend in the Total Saving Deposits of SBI. It is increased from Rs. 331152 crore to Rs. 1091751 crore representing the growth of 3.30 times
2. During the study period, the SBI have witnessed a fluctuating trend in the Growth Rate Saving Deposits
  - a. -9.88 % to 33.57 % in Saving Deposits

An erratic trend in the growth rate Total Saving Deposits.

3. During the study period, the Average Total Saving Deposits of SBI stood at Rs. 601103 crore.
4. During the study period, the Average Growth Rate of Total Deposits stood at
  - a. 14.82 % in Total Saving Deposits
5. During the study period, the Annual Growth Rate of Saving Deposits was higher than that of Average Growth Rate in
  - a. 4 out of 9 years in total Demand Deposits (2010-11,2012-13 ,2016-17, 2017-18)

From the above analysis of composition of advances of the SBI, one can witness that there is movement of the deposits from Saving Deposits.

## 3 GROWTH RATE OF TERM DEPOSITS IN STATE BANK OF INDIA

The trend and growth rate of term deposits(TD) for the year from 2009-10 to 2018-19 of State Bank of India were analyzed and the results are presented in Table 3

**TABLE-3: GROWTH RATE OF TERM DEPOSIT AMOUNT IN STATE BANK OF INDIA DURING THE PERIOD 2008-2009 TO 2017-2018**

| Year           | Term Deposits from Banks |        | Term Deposits from Others |        | Total Term Deposits |        |
|----------------|--------------------------|--------|---------------------------|--------|---------------------|--------|
|                | Amount (Rs.)             | GR (%) | Amount (Rs.)              | GR (%) | Amount (Rs.)        | GR (%) |
| 2009-10        | 18592<br>(2.90)          |        | 621653<br>(97.10)         |        | 640245              |        |
| 2010-11        | 15170<br>(2.19)          | -18.41 | 676602<br>(97.81)         | 8.84   | 691772              | 8.05   |
| 2011-12        | 17405<br>(3.02)          | 14.73  | 558634<br>(96.98)         | -17.44 | 576039              | -16.73 |
| 2012-13        | 27855<br>(4.20)          | 60.04  | 635820<br>(95.80)         | 13.82  | 663675              | 15.21  |
| 2013-14        | 34117<br>(4.29)          | 22.48  | 761890<br>(95.71)         | 19.83  | 796007              | 19.94  |
| 2014-15        | 9179<br>(0.99)           | -73.10 | 915708<br>(99.01)         | 20.19  | 924887              | 16.19  |
| 2015-16        | 6818<br>(0.69)           | -25.72 | 986350<br>(99.31)         | 7.71   | 993168              | 7.38   |
| 2016-17        | 19561<br>(1.73)          | 186.90 | 1113807<br>(98.31)        | 12.92  | 1133368             | 14.12  |
| 2017-18        | 15218<br>(1.01)          | -22.20 | 1487176<br>(98.99)        | 33.52  | 1502394             | 32.56  |
| 2018-19        | 8232<br>(0.51)           | -45.91 | 1605524<br>(99.49)        | 7.96   | 1613756             | 7.41   |
| <b>Total</b>   | 172147                   | 98.82  | 9363164                   | 107.35 | 9535311             | 104.13 |
| <b>Average</b> | 17214.7                  | 10.98  | 936316.4                  | 11.93  | 953531              | 11.57  |

Source: SBI Annual Reports

**Note: 1. Figures in Parentheses denote % to total advances**

## 2. GR denotes Growth Rate

Table 3 depicts the term deposits of SBI from 2009-10 to 2018-19

Table 3 helps to infer the following

1. Throughout the study period, there is an increasing trend in the Total term Deposits of SBI. It is increased from Rs. 640245 crore to Rs.1613759 crore representing the growth of 2.52 times

2. During the study period, the corresponding increase in

a. 2.58 times in Term Deposits from Others

b. 0.44 times in Term Deposits from Banks

Performance of SBI is encouraging in “Term Deposits from Others” and “Term Deposits from Banks” during the period under study.

3. During the study period, the SBI have witnessed a fluctuating trend in the Growth Rate of both total term deposits as a whole as well as in each deposit. It range from

a. – 16.73 % to 32.56 % in Total Term Deposits of SBI

b. -17.44 % to 33.52 % in Term Deposits from Others

c. -45.91 % to 186.90 % in term Deposits from Banks

An erratic trend in the growth rate in experienced by SBI fewer than three segments viz, “ Total Term Deposits”, “ Term Deposits from Others” and “ Term Deposits from Banks”.

4. During the study period, the Average Total Term Deposits of SBI stood at Rs. 953531 crore. The corresponding figure of these banks during the period under reference is

a. Rs.936316 crore in Term Deposits from Others.

b. Rs. 17214 crore in Term Deposits from Bank.

In terms of average total deposits there is no much variation in financing different deposits of the economy by SBI during the study period.

5. During the study period, the Average Growth Rate of Total Deposits stood at

a. 11.57 % in Total Term Deposits

b. 11.93 % in Term Deposits from Others

c. 10.98 % in Term Deposits from Banks

6. During the period under study the Percentage to Total Deposits of SBI range from

a. 0.51 % to 2.90 % in Term Deposits from Banks

b. 99.49 % to 97.10 % in Term Deposits from Others

Throughout the study, the percentage to total deposits of Term Deposits from Others is higher and its is followed by Term Deposits from Banks.

7. During the study period, the Annual Growth Rate of Term Deposits was higher than that of Average Growth Rate in

a. 5 out of 9 years in total Term Deposits (2012-13, 2013-14, 2014-15, 2016-17,2017-18)

b. 5 out of 9 years in Term Deposits from Others (2012-13, 2013-14, 2014-15, 2016-17,2017-18).

c. 4 out of 9 year in Term Deposits from Banks (2011-12, 2012-13, 2013-14,2016-17)

From the above analysis of composition of advances of the SBI, one can witness that there is movement of the deposits from Term Deposits from Others and Term Deposits from Bank.

#### 4 GROWTH RATE OF TOTAL DEMAND, SAVING, TERM DEPOSITS IN STATE BANK OF INDIA

The trend and growth rate of total deposits for the year from 2009-10 to 2018-19 of State Bank of India were analyzed and the results are presented in Table 4

**TABLE-4: GROWTH RATE OF TOTAL DEMAND, SAVING, TERM DEPOSITS IN STATE BANK OF INDIA FROM 2009-10 TO 2018-19**

| Year           | Total Demand Deposits |        | Total Saving Deposits |        | Total Term Deposits |        | Total Deposits |        |
|----------------|-----------------------|--------|-----------------------|--------|---------------------|--------|----------------|--------|
|                | Amount (Rs.)          | GR (%) | Amount (Rs.)          | GR (%) | Amount (Rs.)        | GR (%) | Amount (Rs.)   | GR (%) |
| <b>2009-10</b> | 145064<br>(12.99)     | --     | 331152<br>(29.66)     |        | 640245<br>(57.35)   |        | 1116461        |        |
| <b>2010-11</b> | 154180<br>(12.28)     | 6.28   | 409609<br>(32.62)     | 23.69  | 691772<br>(55.10)   | 8.05   | 1255561        | 12.46  |
| <b>2011-12</b> | 98449<br>(9.43)       | -36.15 | 369156<br>(35.37)     | -9.88  | 576039<br>(55.19)   | -16.73 | 1043644        | -16.88 |
| <b>2012-13</b> | 112679<br>(9.37)      | 14.45  | 426383<br>(35.45)     | 15.50  | 663675<br>(55.18)   | 15.21  | 1202737        | 15.24  |
| <b>2013-14</b> | 113232<br>(8.12)      | 0.49   | 485167<br>(34.79)     | 13.79  | 796007<br>(57.09)   | 19.94  | 1394406        | 15.94  |
| <b>2014-15</b> | 124571<br>(7.90)      | 10.01  | 527332<br>(33.44)     | 8.69   | 924887<br>(58.66)   | 16.19  | 1576790        | 13.08  |
| <b>2015-16</b> | 139806<br>(8.08)      | 12.23  | 597746<br>(34.54)     | 13.35  | 993168<br>(57.38)   | 7.38   | 1730720        | 9.76   |
| <b>2016-17</b> | 152420<br>(7.45)      | 9.02   | 758961<br>(37.12)     | 26.97  | 1133368<br>(55.43)  | 14.12  | 2044749        | 18.14  |
| <b>2017-18</b> | 190173<br>(7.03)      | 24.77  | 1013774<br>(37.46)    | 33.57  | 1502394<br>(55.51)  | 32.56  | 2706341        | 32.36  |
| <b>2018-19</b> | 205874<br>(7.07)      | 8.26   | 1091751<br>(37.50)    | 7.69   | 1613756<br>(55.43)  | 7.41   | 2911381        | 7.58   |
| <b>Total</b>   | 1436448               | 49.37  | 6011031               | 133.38 | 9535311             | 104.13 | 16982790       | 107.68 |
| <b>Average</b> | 143645                | 5.49   | 601103                | 14.82  | 953531              | 11.57  | 1698279        | 11.96  |

Source: SBI Annual Reports

**Note: 1. Figures in Parentheses denote % to total advances, 2. GR denotes Growth Rate**

Table 4 depicts the total deposits(Demand, Saving, Term Deposits) of SBI from 2009-10 to 2018-19

Table 4 helps to infer the following

1. Throughout the study period, there is an increasing trend in the Total Deposits of SBI. It is increased from Rs. 1116161 crore to Rs.2911381 crore representing the growth of 2.61 times
2. During the study period, the corresponding increase in
  - a. 2.52 times in Total Term Deposits
  - b. 3.30 times in Total Saving Deposits
  - c. 1.42 times in Total Demand Deposits

Performance of SBI is encouraging in “ Total Term Deposits” and “ Total Saving Deposits” during the period under study.

3. During the study period, the SBI have witnessed a fluctuating trend in the Growth Rate of total deposits as a whole as well as in each deposit. It range from
  - a. -16.88 % to 32.36 % in Total Deposits
  - b. – 16.73 % to 32.56 % in Total Term Deposits
  - c. - 9.88 % to 33.57 % in Total Saving Deposits
  - d. -36.15 % to 24.77 % in Total Demand Deposits from Banks

An erratic trend in the growth rate in experienced by SBI fewer four three segments viz, “ Total Deposits”, “ Total Term Deposits”, “Total Saving Deposits” and “ Total Demand Deposits”.

4. During the study period, the Average Total Deposits of SBI stood at Rs. 16982790 crore. The corresponding figure of these banks during the period under reference is



- a. Rs.953531 crore in Total Term Deposits.
- b. Rs. 601103 crore in Total Saving Deposits.

In terms of average total deposits there is no much variation in financing different deposits of the economy by SBI during the study period.

5. During the study period, the Average Growth Rate of Total Deposits stood at
  - a. 11.59 % in Total Deposits(Demand, Saving, Term Deposits)
  - b. 11.57 % in Total Term Deposits
  - c. 14.82 % in Total Saving Deposits
  - d. 5.49 % in Total Demand Deposits
6. During the period under study the Percentage to Total Deposits of SBI range from
  - a. 55.43 % to 57.35 % in Total Term Deposits
  - b. 37.50 % to 29.66 % in Total Saving Deposits
  - c. 7.07 % to 12.99 % in Total Demand Deposits

Throughout the study, the percentage to total deposits of Total Term Deposits is higher and its is followed by Total Saving Deposits and Total Demand Deposits

7. During the study period, the Annual Growth Rate of Total Deposits(Demand, Saving, Term Deposits) was higher than that of Average Growth Rate in
  - a. 6 out of 9 years in Total Deposits (Demand, Saving, Term) (2010-11, 2012-13, 2013-14, 2014-15, 2016-17,2017-18)
  - b. 5 out of 9 years in Total Term Deposits (2012-13, 2013-14, 2014-15, 2016-17,2017-18).
  - c. 5 out of 9 year in Total Saving Deposits (2010-11, 2012-13, 2013-14, 2016-17, 2017-18).
  - d. 7 out of 9 in Total Demand Deposits (2010-11, 2012-13, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19)

From the above analysis of composition of advances of the SBI, one can witness that there is movement of the deposits from Term Deposits from Others and Term Deposits from Bank.

### **CONCLUSION**

The annual growth rate of demand deposit is fluctuated during the study period. A highest annual growth rate of total deposits is found in the year 2017-2018 (24.77%).

The annual growth rate of saving deposits is fluctuated during the study period. A highest annual growth rate of total deposits is found in the year 2017-2018 (33.57%) and the negative growth rate in the year 2011-2012(-9.88%).

The annual growth rate of term deposits is fluctuated during the study period. A highest annual growth rate of term deposits is found in the year 2017-2018 (32.56%) and the negative growth rate in the year 2011-2012(-16.73%).

The over the researcher found that, there has been a remarkable growth in mobilization of all types (Demand, Saving, Term) of deposits in State Bank of India.

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**INDIA'S FOREIGN TRADE RELATIONSHIP BETWEEN NEPAL –WITH SPECIAL REFERENCE TO AGRICULTURAL PRODUCTS**

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**ABSTRACT**

*Agriculture is the largest trade provider in India especially in rural areas. It is also the biggest causal sector to India's economy. Agricultural products are derived from improving plants or animals to sustain or enhance human life. Food is the most broadly produced agricultural product, and, the global per-person food supply as measured in calories per person has risen more than 20 percent in the past 50 years. Agricultural products drop into one of four groups: foods, fuels, fibers, and raw materials. The food collection is comprised of fruits, cereals, vegetable, and meat, while the fiber group includes wool, yarn, and flax. The purpose of this paper was to investigate India's Export and Import of Agricultural products to Nepal and also in this paper based on India's Foreign Trade Relationship Between Nepal-with Special Reference to Agricultural Products to Nepal. India carried out for the past 5 years from 2013-2018.*

*Keywords: Foreign Trade, Relationship, Nepal, Agricultural Products.*

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**INTRODUCTION**

Foreign trade is exchange of capital, goods, and services across international restrictions or territories. In most countries, it represents a large share of gross domestic product (GDP). Foreign trade in India includes all imports and exports in the direction of and from India. Prior to the 1991 economic liberalisation, India was a congested economy due to the average tariffs exceeding 200 percent and the widespread quantitative restrictions on imports. Foreign investment was severely restricted to only allow Indian ownership of businesses. Since the liberalisation, India's economy has enhanced mainly due to increased foreign trade.

'Agro Products' embrace a broad all-inclusive category of products related to agriculture. It includes a complete range of raw and finished goods under the classifications of plants, animals and other life forms. An approximate 36% of the world's workers are engaged in agriculture through India's 65% of the population being directly and indirectly employed in this sector.

**REVIEW OF LITERATURE**

**Shahnawaz Alam (2015)** the economic openness was the reality of today's developed world. The asymmetrical distribution of resources and factor of production has required the economist and social scientists for mutual interaction and trade cooperation for the development of the global economy. The trade and economic cooperation between the two countries was more important these days because of the essential for formulating a feasible and beneficial strategy for the development of the both countries. India was impost prime trading partner of Nepal. Both countries proved to be path-breaking in mapping new horizons in the old age relations. In fact, the Indian life time was vital for the sustenance and growth of Nepal. It is by far the greatest source of imports to Nepal, as well as its primary country of exports. Exchange of high level visits has been the hallmark of Nepal-India relations during the past five decades. Open border has moulded a unique relationship between the countries. However, this has facilitated people to people linkages. Indian economic assistance has played a key role in Nepal's development in the past. There are tremendous possibilities of further developing bilateral relationship in various fields. Presently transfer of technology has been instrumental in accelerating the pace of economic development in Nepal in recent years. However, Nepal's growing economy was heavily dependent on India and deprived of the opportunity of maximizing benefits from the economy of huge neighbourhood like India, an emerging economic power in the International Markets. But the two sides felt the need to inject new dynamism for tactical changes with the realities of the time. This paper makes an attempt to measure importance, strength and nature of bilateral trade and future prospects for economic cooperation between India and Nepal which based on macro analysis. Trade reciprocity index was designed for measuring India's balance of trade with Nepal and future projection of trade has been estimated by using OLS method.

**Divya Pandey et al (2014)** India and Nepal are the neighbouring countries which have strong trade ties among themselves. More than 43% of total agricultural import of Nepal comes from India. The present study was undertaken to examine the present status and composition of agricultural trade between India and Nepal and impact of treaty on trade. The competitiveness and trade intensities were also analyzed. Revealed Symmetric

Comparative Advantage (RSCA) was measured to find out the comparative advantage of India and Nepal in global market. It was found that after signing the treaty in 1996 India has emerged as a major trading partner of Nepal. The share of India in Nepal's total export of agricultural commodities went up from 21% in TE 1995 to about 56% in TE 2011. Comparative advantage was calculated for six agricultural commodities (jute, pulses, spices, wheat, tea and fresh vegetables). Over the years, the comparative advantage of jute exports of Nepal decreased and India outsmarted Nepal. Nepal had high comparative advantage than India in pulses export. Compound annual growth rate of pulse production in Nepal was found negative (-3%). Therefore, the comparative advantage in pulse export was because of export of processed pulses. The agro climatic conditions of Nepal favour tea production which was apparent from the compound growth rate of production (13.7%) and increasing positive values of comparative advantage it was concluded that the treaty has boosted the trade between India and Nepal. Therefore, it was suggested to maintain the treaty in the interest of both countries.

### OBJECTIVES OF THE STUDY

1. To study the conceptual framework for the India's foreign trade.
2. To analyze the export performance of Agricultural Products to Nepal.
3. To examine the import performance of Agricultural Products from Nepal.

### RESEARCH METHODOLOGY

The study is analytical and empirical in nature. All the data will be collected from secondary sources. The secondary sources will be collected from books, published reports, articles and the internet. The secondary sources are planned to be collected from Agricultural and Processed Food Products Export Development Authority (APEDA).

### HYPOTHESES OF THE STUDY

- ✓ There is no significant difference between import of agricultural products quantity and value from Nepal.

### Export Performance of Agricultural Products to Nepal

**Table – 1: Quantity in Mts; Value-Rs in Crore**

| Year    | Quantity   | Trend       | Value   | Gr%    |
|---------|------------|-------------|---------|--------|
| 2013-14 | 1045405.41 | 1113939.772 | 2161.80 | --     |
| 2014-15 | 1429686.94 | 1342072.834 | 3318.41 | 53.502 |
| 2015-16 | 1514144.43 | 1570205.896 | 3449.59 | 3.593  |
| 2016-17 | 1921757.02 | 1798338.958 | 4397.47 | 27.478 |
| 2017-18 | 1940035.68 | 2026472.02  | 4257.36 | -3.186 |

Source: DGCIS

Table-1 speaks of the quantities of Nepal export products which differ from year to year. Some of the values are high (1940035.68) in 2017-18. In 2013 the Nepal export products were low (1045405.41) compared to the other then years of the export product. The Nepal export products normally down in of 2013-14 and thereafter the products had increased till 2018.

The values of Nepal export of Agricultural products differ from year to year. The performance based lowest values were (2161.80) in 2013-14. In 2013-14 the Nepal exports were lower (1045405.41) than other years. The Nepal export was generally down in 2013-14. But there are increased till 2018.

The growth rates have usually up and down factors during 2015-2016. In the year 2018 the growth values were low (-3.186 percent) and they increased (53.502) in 2014-15. The growth values decreased in 2016. So, some changes were made by Nepal to increase its export of Agricultural products. Then the condition improved. Table-2 tells the trend projected quantity of Nepal.

**Table-1.1**

| Year    | Trend       |
|---------|-------------|
| 2018-19 | 2254605.082 |
| 2019-20 | 2482738.144 |
| 2020-21 | 2710871.206 |

The quantity is better for compared to the previous performance of the export trade of Nepal. If it continues without any change the trend values will regularly increase as 2254605.22, 2482738.144 and 2710871.206 in the years 2019, 2020 and 2021. Thus the product trade of Nepal may be increases in the future years.

**IMPORT PERFORMANCE OF AGRICULTURAL PRODUCTS FROM NEPAL****Table – 2: Quantity in Mts; Value-Rs in Crore**

| Year    | Quantity  | Value  |
|---------|-----------|--------|
| 2013-14 | 113282.47 | 675.39 |
| 2014-15 | 105580.74 | 886.45 |
| 2015-16 | 83166.24  | 681.12 |
| 2016-17 | 96757.03  | 805.25 |
| 2017-18 | 14080.21  | 53.13  |

Source: DGCIS

Table-2 tells the quantities of agricultural products import from Nepal which differs from year to year. The largest quantity of export is 113282.47 (2014-15) and the lowest quantity of export is 14080.21 (2017-18). The product imported from Nepal went down during 2017-18.

The values of Nepal agricultural products imports differ from year to year. The performance based lowest values were (53.13) in 2017-18. In 2017-18 the Nepal exports were lower (14080.21) other than years. The Nepal agricultural products import was generally down in 2017-18.

**Table – 3: Correlation**

|                 |                     | Quantity | Value  |
|-----------------|---------------------|----------|--------|
| <b>Quantity</b> | Pearson Correlation | 1        | .991** |
|                 | Sig.(2-tailed)      |          | .001   |
|                 | N                   | 5        | 5      |
| <b>Value</b>    | Pearson Correlation | .991**   | 1      |
|                 | Sig.(2-tailed)      | .001     |        |
|                 | N                   | 5        | 5      |

\*\*. Correlation is significant at the 0.01 level (2-tailed).

The correlation value (0.991) is significant at 0.05 level and indicating a positive correlation in India's Import of Agricultural Products from Nepal. Based on the correlation table, the import of Agricultural products from India is benefit to Nepal during the period of 2013-2018.

**CONCLUSION**

India and Nepal are the neighbouring countries which have strong trade ties among SAARC nations. India is become strong building of agricultural products in this world. India can make a strong and healthy connection with other countries within the world through export and import of agricultural products. India has been achieved most important export of agricultural products. Because of SAARC regulations, India have to export products to Nepal whatever may be it is in profit or loss. From this study, researcher found exports of agricultural products to Nepal was loss for Indian economy growth.

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**A COMPARATIVE STUDY OF POLICYHOLDER'S SERVICE QUALITY IN PUBLIC AND PRIVATE LIFE INSURANCE COMPANIES – WITH SPECIAL REFERENCE TO MADURAI DISTRICT**

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**ABSTRACT**

*Customer service assumes vital importance in the marketing programmes of all modern organisations including service organisations. As Insurance is a service industry, the main focus is on the efficient and effective delivery of services to the policy holders. The most important factors in the insurance industry are security of the amount insured and customer satisfaction. The purpose of this paper is to evaluate customers' general expectation and perception of policyholders in terms of services offered by public and private insurance companies. And also evaluate the awareness of various policies and level of satisfaction in services provided by the public and private insurance companies. For analyzing the service quality SERVQUAL Mean score is applied with five dimensions like tangibility, Reliability, Responsiveness, Assurance and Empathy.*

*Keywords: Service Quality, Customer Awareness and Customer Satisfaction and Service Gap*

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**I. INTRODUCTION**

The life insurance industry like many other financial services industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers and the changing climate has presented an unprecedented set of challenges. Just like companies of other business domains, life insurance also considers their customers as the most important asset. However, the most critical issue is whether this customer orientation is reflected in their strategies. Lehtinen and Lehtinen (1991) divided quality into input and output. The output consists of total service offering in terms of quality, and the input includes both tangibles and intangibles elements.

In the past, the insurance industry has avoided pressures mainly because insurance is a very complex product which only a handful could understand. This was probably the reason why the majority of the insurance consumers were quite 'blissfully ignorant' about insurance. The situation however has changed in recent years and the insurance industry has become the target of consumer pressures. The change in attitude towards the insurance industry can be attributed to several developments.

**II. SERVICE QUALITY IN INSURANCE INDUSTRY**

The quality of service delivery results in customer satisfaction and their retention as it reinforces the perception that the value of service received is greater than the price paid for it. Quality improvement and adherence to accepted forms of quality are central to the modern concept of marketing of services. When the major marketing goal of a company is customer retention, the quality of service delivery is undeniably, the key differentiator. Service quality can be related to service potential; service process and service result. Thus delivery of high quality service is crucial to the high service value perception. Customer service assumes vital importance in the marketing program of all modern organizations including service organizations. As insurance is a service industry, the main focus is on the efficient and effective delivery of services to the policy holders.

**III. REVIEW OF LITERATURE**

Schneider (1990) showed that both employees and customers will experience more positive outcomes when the organization operates with a customer service orientation and management supports it. This may be linked to the external service value within the service-profit chain by Heskett et al. (1994), which described employee satisfaction as the underlying factor in the formation of customer perceived quality. SERVQUAL can be operational by both qualitative and quantitative research. However, SERVQUAL model is commonly used in quantitative research and consisting questionnaire (Kasper et al., 1999). Parasuraman, Zeithaml and Berry (1996) defined service quality from the customer's view rather than based on internal performance measures. From this perspective, service quality is the customer's perception of the superiority of the service.

Sachdev and Verma (2004) attempted to explore the relative importance of service quality dimensions in Banking, Insurance, Fast food, and Beauty salon. The study results suggested that in all areas under study, the dimensions; tangibility, reliability, responsiveness, assurance, and empathy are important and there is no significant difference among sectors in the ranking of the dimensions. Barkur et al., (2007)

identified past experience, personal needs, external communication, word of mouth, and active clients were the key parameters of Service Quality. Sandhu and Bala (2011) concluded that the three factors namely, proficiency; physical and ethical excellence; and functionality have significant impact on the overall service quality of Life Insurance Corporation of India.

#### IV. RESEARCH METHODOLOGY

This study has evaluated the Policyholder service quality of public and private sector insurance companies engaged in life insurance business in Madurai district. Besides that, a study on the awareness level of buyer on life insurance product and customer satisfaction level has also been under taken. The study has been done into two groups' like Public and Private sector. The public sector comprises of Life Insurance Corporation of India. In case of private sector life insurance companies, 4 leading companies have selected out of existing 33 private sector companies which are operating business in India and registered on or before 2001 under the IRDA 1999.

Service quality dimensions: SERVQUAL By the early 1990s, Parasuraman, A., Valarie Zeithaml, and Leonard Berry had refined the model to the useful acronym RATER:

Tangibility: It includes the appearance of physical elements.

Reliability: It shows the reliability and accurate performance.

Responsiveness: It shows the promptness and helpfulness.

Assurance: It shows the competency, courtesy, credibility and security.

Empathy: It indicates the easy access, good communication, and customer understanding

#### OBJECTIVES OF THE STUDY

1. To determine the level of Policyholders awareness about various policies and services of public and private life insurance companies.
2. To measure the level of Policyholders expectation and perception of service quality in public and private life insurance companies.
3. To examine the level of Satisfaction of Policyholder in Public and Private Insurance Companies.
4. To offer suggestions for the improvement of Service Quality in Life Insurance Corporation of India

#### HYPOTHESES

1.  $H_0$ : There is no significant relationship between the age and Awareness of various policies
2.  $H_0$ : There is no significant relationship between the income and Satisfaction of various Services

#### Sample design

It's a comparative study, so for this study select LIC as a public company and HDFC Standard Life Insurance, ICICI Prudential Life Insurance, Bajaj Allianz Life, and SBI Life Insurance are selected as private companies. These private insurance companies are selected on the bases of claim settlement.

#### Source of Data

The study is based on both primary and secondary data. Primary data collected through well structured questionnaire. Secondary data collected from journals, newspaper and Internet.

#### Sample Size and Techniques

60 policy holders from public company and 15 policy holders from each private company are selected. Totally, 150 policyholders are taken as a sample for this study. In Non-Probability sampling, Convenient Sampling technique was used in this research.

| S.No  | Insurance Company               | No. of Policyholder |
|-------|---------------------------------|---------------------|
| 1.    | LIC                             | 60                  |
| 2.    | HDFC Standard Life Insurance    | 15                  |
| 3.    | ICICI Prudential Life Insurance | 15                  |
| 4.    | Bajaj Allianz Life              | 15                  |
| 5.    | SBI Life Insurance              | 15                  |
| Total |                                 | 120                 |

Sources: Computed data

**Statistical Tools and Techniques**

Percentage analysis, Rank Analysis, Chi-Square and Weighted average are used to find a accurate result for this study.

**V. DATA ANALYSIS AND INTERPRETATION****Profile of the policyholder**

In this study, Profile of the public and private insurance policyholders are confined into Age, Gender, Education, Occupation and Income. The collected details are tabulated as under:

**Table-1: Profile of the Policyholder**

| Demographical factor | Respondents |                   | Percentage |
|----------------------|-------------|-------------------|------------|
|                      | LIC         | Private insurance |            |
| Age                  |             |                   |            |
| 0-20                 | 08          | 18                | 15         |
| 21- 40               | 26          | 27                | 44         |
| 41-60                | 18          | 15                | 28         |
| Above 60             | 08          | 08                | 13         |
| <b>Total</b>         | <b>60</b>   | <b>60</b>         | <b>100</b> |
| Gender               |             |                   |            |
| Male                 | 49          | 35                | 70         |
| Female               | 11          | 25                | 30         |
| <b>Total</b>         | <b>60</b>   | <b>60</b>         | <b>100</b> |
| Education            |             |                   |            |
| Illiterate           | 04          | 06                | 08         |
| Up to School Level   | 12          | 10                | 18         |
| Graduate             | 32          | 34                | 55         |
| Post Graduate        | 12          | 10                | 19         |
| <b>Total</b>         | <b>60</b>   | <b>60</b>         | <b>100</b> |
| Occupation           |             |                   |            |
| Agriculture          | 07          | 03                | 08         |
| Govt Employee        | 17          | 07                | 20         |
| Private Employee     | 26          | 45                | 59         |
| Business             | 10          | 05                | 13         |
| <b>Total</b>         | <b>60</b>   | <b>60</b>         | <b>100</b> |
| Monthly Income       |             |                   |            |
| Below Rs. 10000      | 19          | 17                | 30         |
| Rs. 10001- Rs 20000  | 26          | 31                | 48         |
| Rs.20001-Rs.30000    | 10          | 07                | 14         |
| Rs.30001-Rs.40000    | 02          | 03                | 04         |
| Rs.40001-Rs.50000    | 02          | 01                | 02         |
| Above Rs.50000       | 01          | 01                | 02         |
| <b>Total</b>         | <b>60</b>   | <b>60</b>         | <b>100</b> |

Source: Primary data

Table 1 shows that most of the respondents age is in the group of 21- 40 (44%). Most of the respondents are Male (70%). The majority of 66 (55%) respondents are graduated. Out of 120 policy holders, 71 (59 %) are private employee. 57 respondents monthly income is in the level of Rs.10001-Rs.20000.

**Awareness of Policyholder in Public and Private Life Insurance Companies**

Various policies which are provided by the public and private insurance companies are listed below. Weighted Average technique is used to analysis the awareness level of policyholders as shown in table-2.

**Table-2 Awareness of policies**

| Policies          | LIC        |            |            |               |      | Private Insurance |            |            |               |      |
|-------------------|------------|------------|------------|---------------|------|-------------------|------------|------------|---------------|------|
|                   | HA         | PA         | NA         | Mean          | Rank | HA                | PA         | NA         | Mean          | Rank |
| Endowment Policy  | 26<br>(78) | 16<br>(32) | 18<br>(18) | 2.13<br>(128) | VI   | 60<br>(180)       | 26<br>(52) | 16<br>(16) | 4.13<br>(248) | I    |
| Money back Policy | 31         | 09         | 20         | 2.18          | V    | 23                | 14         | 23         | 2.0           | VI   |



|                         |             |            |            |               |      |             |            |            |               |      |
|-------------------------|-------------|------------|------------|---------------|------|-------------|------------|------------|---------------|------|
|                         | (93)        | (18)       | (20)       | (131)         |      | (69)        | (28)       | (23)       | (120)         |      |
| ULIP Policy             | 28<br>(84)  | 18<br>(36) | 14<br>(14) | 2.23<br>(134) | IV   | 40<br>(120) | 05<br>(10) | 15<br>(15) | 2.4<br>(145)  | II   |
| Whole Life Policy       | 18<br>(54)  | 20<br>(40) | 22<br>(22) | 1.93<br>(116) | VIII | 18<br>(54)  | 36<br>(72) | 06<br>(06) | 2.2<br>(132)  | V    |
| Children Policy         | 48<br>(144) | 04<br>(08) | 08<br>(08) | 2.67<br>(160) | I    | 11<br>(33)  | 32<br>(64) | 17<br>(17) | 1.9<br>(114)  | VIII |
| Pension Plan Policy     | 32<br>(96)  | 18<br>(36) | 10<br>(10) | 2.28<br>(137) | II   | 30<br>(90)  | 15<br>(30) | 15<br>(15) | 2.25<br>(135) | IV   |
| Term policy             | 19<br>(57)  | 25<br>(50) | 16<br>(16) | 2.05<br>(123) | VII  | 14<br>(42)  | 28<br>(56) | 18<br>(18) | 1.93<br>(116) | VII  |
| Health Insurance Policy | 28<br>(84)  | 19<br>(38) | 13<br>(13) | 2.25<br>(135) | III  | 32<br>(96)  | 19<br>(38) | 09<br>(09) | 2.38<br>(143) | III  |

Source: Primary data, HA-highly Aware, PA- Partly Aware, NA-Not Aware

In Table -2 based on Mean values it clearly describes that in public insurance policyholders are having more awareness in Children policy (2.67), pension plan policy (2.28) and Health Insurance policy (2.25). In private Insurance Policyholders are having more awareness in Endowment Policy (4.13), ULIP Policy (2.4) and Health Insurance Policy (2.38). As a result private Insurance policyholders are having more awareness than public insurance policyholders.

#### Relationship between the age and Awareness of policies

To find the relationship between age and awareness of various Policies, Chi-square test is applied.

$H_0$ : There is no significant relationship between the age and Awareness of various Policies

**Table-3: Level of Awareness**

| Age              | LIC                   |              |              |       | Private Insurance     |              |              |       |
|------------------|-----------------------|--------------|--------------|-------|-----------------------|--------------|--------------|-------|
|                  | H A                   | A            | N A          | Total | H A                   | A            | N A          | Total |
| 0-20             | 03<br>(4.8)           | 02<br>(1.07) | 3<br>(2.13)  | 8     | 4<br>(2.66)           | 3<br>(3.5)   | 3<br>(3.8)   | 10    |
| 21- 40           | 20<br>(15.6)          | 04<br>(3.47) | 02<br>(6.93) | 26    | 05<br>(7.2)           | 12<br>(9.4)  | 10<br>(10.3) | 27    |
| 41-60            | 09<br>(10.8)          | 01<br>(2.4)  | 08<br>(4.8)  | 18    | 06<br>(4.0)           | 02<br>(5.25) | 07<br>(5.75) | 15    |
| Above 60         | 4<br>(4.8)            | 01<br>(1.07) | 03<br>(2.13) | 8     | 01<br>(2.13)          | 04<br>(2.8)  | 03<br>(3.06) | 08    |
| Total            | 36                    | 08           | 16           | 60    | 16                    | 21           | 23           | 60    |
| Calculated value | 10.41                 |              |              |       | 6.43                  |              |              |       |
| Table Value      | 12.592 (DF=6, LS @5%) |              |              |       | 12.592 (DF=6, LS @5%) |              |              |       |
| Result           | $H_0$ Accepted        |              |              |       | $H_0$ Accepted        |              |              |       |

Source: Primary Data DF=Degree of Freedom, LS=level of significance

Table 3 shows that, in public insurance company, the calculated value 10.41 is less than the table value 12.59 at 5% level of significance. So the null hypothesis is accepted. To conclude that there is no significant relationship between the age and Awareness of various policies.

In private insurance Company, the calculated value 6.43 is less than the table value 12.59 at 5% level of significance. So the null hypothesis is accepted.

#### Satisfaction of policyholder in public and private life insurance companies

Level of Satisfaction in Public and private insurance policyholders

**Table-4: Satisfaction of Services**

| Insurance Company | Good        | Fair        | Poor        | Total        |
|-------------------|-------------|-------------|-------------|--------------|
| LIC               | 28<br>(47%) | 16<br>(27%) | 16<br>(26%) | 60<br>(100%) |
| Private insurance | 30<br>(50%) | 17<br>(28%) | 13<br>(22%) | 60<br>(100%) |

Source: Primary Data

From Table 4, most of the private insurance company policyholders are get higher satisfaction than public insurance company policyholders.

### Relationship between the Income and Satisfaction of various Services

$H_0$ : There is no significant relationship between the income and Satisfaction of various Services

**Table-5: Level of Satisfaction**

| Monthly Income      | Good                   | Fair        | Poor         | Total | Good                   | Fair         | Poor         | Total |
|---------------------|------------------------|-------------|--------------|-------|------------------------|--------------|--------------|-------|
| Below Rs. 10000     | 11<br>(8.87)           | 5<br>(5.07) | 3<br>(5.07)  | 19    | 10<br>(8.5)            | 05<br>(4.81) | 02<br>(3.6)  | 17    |
| Rs. 10001- Rs 20000 | 12<br>(12.13)          | 9<br>(6.93) | 5<br>(6.93)  | 26    | 15<br>(15.5)           | 08<br>(8.7)  | 08<br>(6.7)  | 31    |
| Rs.20001-Rs.30000   | 4<br>(4.67)            | 2<br>(2.67) | 4<br>(2.67)  | 10    | 04<br>(3.5)            | 02<br>(1.98) | 01<br>(1.51) | 07    |
| Rs.30001-Rs.40000   | 01<br>(0.93)           | -<br>(0.53) | 01<br>(0.53) | 02    | -<br>(1.5)             | 02<br>(0.85) | 01<br>(0.65) | 03    |
| Rs.40001-Rs.50000   | -<br>(0.93)            | -<br>(0.53) | 02<br>(0.53) | 02    | -<br>(0.5)             | -<br>(0.28)  | 01<br>(0.21) | 01    |
| Above Rs.50000      | -<br>(0.46)            | -<br>(0.27) | 01<br>(0.27) | 01    | 01<br>(0.5)            | -<br>(0.28)  | -<br>(0.21)  | 01    |
| Total               | 28                     | 16          | 16           | 60    | 30                     | 17           | 13           | 60    |
| Calculated value    | 9.911                  |             |              |       | 12.27                  |              |              |       |
| Table Value         | 18.307 (DF=10, LS @5%) |             |              |       | 18.307 (DF=10, LS @5%) |              |              |       |
| Result              | $H_0$ Accepted         |             |              |       | $H_0$ Accepted         |              |              |       |

Source: Primary Data

Table 5 shows that, in public insurance company, the calculated value 9.911 is less than the table value 18.307 at 5% level of significance. So the null hypothesis is accepted. To conclude that there is no significant relationship between the income and Satisfaction of various Services. In private insurance Company, the calculated value 12.27 is less than the table value 18.307 at 5% level of significance. So the null hypothesis is accepted.

### Policyholder's Expectation and Perception of Service Quality in Public Insurance Companies

Service Gap=Customer's Expectation- customer's Perception

**Table -5: LIC policyholders Expectation and Perception**

| Factors                                    | Policyholders Expectation |          |         |         |         |          |     | Policyholders Perception |         |         |         |         |          |     | SerGa |
|--|---------------------------|----------|---------|---------|---------|----------|-----|--------------------------|---------|---------|---------|---------|----------|-----|-------|
|  | HE                        | E        | N       | NE      | HNE     | Tot      | M   | HS                       | S       | M       | DS      | HDS     | Tot      | M   | p     |
| Tangibility                                |                           |          |         |         |         |          |     |                          |         |         |         |         |          |     |       |
| Adequate No. of branches                   | 105 (21)                  | 36 (09)  | 21 (07) | 38 (19) | 4 (04)  | 204 (60) | 3.4 | 50 (10)                  | 60 (15) | 75 (25) | 8 (04)  | 6 (06)  | 199 (60) | 3.3 | 0.1   |
| Accessible location of the branch          | 50 (10)                   | 76 (19)  | 45 (15) | 18 (09) | 7 (07)  | 196 (60) | 3.3 | 40 (08)                  | 36 (09) | 33 (11) | 24 (12) | 20 (20) | 153 (60) | 2.6 | 0.7   |
| Good ambience of the branch                | 70 (14)                   | 72 (18)  | 27 (09) | 40 (20) | 9 (09)  | 218 (60) | 3.6 | 30 (06)                  | 68 (17) | 54 (18) | 20 (10) | 9 (09)  | 181 (60) | 3.0 | 0.6   |
| Reliability                                |                           |          |         |         |         |          |     |                          |         |         |         |         |          |     |       |
| handling customer's problems               | 75 (15)                   | 100 (25) | 18 (06) | 8 (04)  | 10 (10) | 211 (60) | 3.5 | 40 (08)                  | 48 (12) | 48 (16) | 28 (14) | 10 (10) | 174 (60) | 2.9 | 0.6   |
| Efficient Staff                            | 55 (11)                   | 72 (18)  | 36 (12) | 16 (08) | 11 (11) | 190 (60) | 3.2 | 60 (12)                  | 60 (15) | 39 (13) | 32 (16) | 4 (04)  | 195 (60) | 3.3 | -0.1  |
| Grievance handling mechanism               | 35 (07)                   | 36 (09)  | 60 (20) | 6 (03)  | 21 (21) | 158 (60) | 2.6 | 75 (15)                  | 20 (05) | 48 (16) | 36 (18) | 6 (06)  | 117 (60) | 1.9 | 0.7   |
| Responsiveness                             |                           |          |         |         |         |          |     |                          |         |         |         |         |          |     |       |
| Innovativeness in introducing new products | 60 (12)                   | 36 (09)  | 60 (20) | 22 (11) | 16 (08) | 172 (60) | 2.8 | 100 (20)                 | 40 (10) | 15 (05) | 24 (12) | 13 (13) | 192 (60) | 3.2 | -0.4  |
| Financially stable                         | 90 (18)                   | 48 (12)  | 18 (06) | 40 (20) | 4 (04)  | 200 (60) | 3.3 | 55 (11)                  | 48 (12) | 48 (16) | 26 (13) | 8 (08)  | 185 (60) | 3.0 | 0.3   |
| Value for money                            | 150 (30)                  | 8 (02)   | 21 (07) | 20 (10) | 11 (11) | 210 (60) | 3.5 | 120 (24)                 | 64 (16) | 6 (02)  | 26 (13) | 5 (05)  | 221 (60) | 3.6 | -0.1  |
| Assurance                                  |                           |          |         |         |         |          |     |                          |         |         |         |         |          |     |       |
| Trained and                                | 155                       | 44       | 39      | 6       | 2       | 246      | 4.1 | 100                      | 44      | 48      | 16      | 5 (05)  | 213      | 3.5 | 0.6   |

|   |          |          |         |         |         |          |     |         |         |         |         |         |          |     |      |
|---|----------|----------|---------|---------|---------|----------|-----|---------|---------|---------|---------|---------|----------|-----|------|
| well-informed agents                      | (31)     | (11)     | (13)    | (03)    | (02)    | (60)     |     | (20)    | (11)    | (16)    | (08)    |         | (60)     |     |      |
| Approaching from customer's point of view | 65 (13)  | 104 (26) | 18 (06) | 8 (04)  | 11 (11) | 206 (60) | 3.4 | 90 (18) | 48 (12) | 18 (06) | 6 (03)  | 21 (21) | 183 (60) | 3.0 | 0.4  |
| Understanding intimately specific needs   | 195 (39) | 8 (02)   | 15 (05) | 12 (06) | 8 (08)  | 238 (60) | 3.9 | 15 (03) | 48 (12) | 26 (13) | 38 (19) | 13 (13) | 140 (60) | 2.3 | 1.6  |
| <b>Empathy</b>                            |          |          |         |         |         |          |     |         |         |         |         |         |          |     |      |
| Easy access                               | 150 (30) | 44 (11)  | 18 (06) | 6 (03)  | 10 (10) | 228 (60) | 3.8 | 75 (15) | 20 (05) | 60 (20) | 16 (08) | 12 (12) | 183 (60) | 3.0 | 0.8  |
| Good communication                        | 135 (27) | 64 (16)  | 21 (07) | 12 (06) | 04 (04) | 236 (06) | 3.9 | 60 (12) | 32 (08) | 45 (15) | 20 (10) | 15 (15) | 172 (60) | 2.8 | 1.1  |
| Customer understanding                    | 65 (13)  | 76 (19)  | 12 (04) | 34 (17) | 07 (07) | 194 (60) | 3.2 | 80 (16) | 28 (07) | 60 (20) | 40 (20) | 14 (14) | 222 (60) | 3.7 | -0.5 |

Source: Primary Data

As a result of the above table-5, Public Insurance Companies are having less service quality in Accessible location of the branch in Tangibility, Grievance handling mechanism in reliability, Financially stable in Responsiveness, Understanding intimately specific needs in Assurance and Good communication in Empathy. Among these five dimensions of service quality, public insurance companies have to improve in Assurance.

### Policyholder's Expectation and Perception of Service Quality in Private Insurance Companies

**Table-6: Private insurance policyholders Expectation and Perception**

| Factors                                       | Policyholders Expectation |         |         |         |         |          |     | Policyholders Perception |         |         |         |         |          |     | Ser Gap |
|---|---------------------------|---------|---------|---------|---------|----------|-----|--------------------------|---------|---------|---------|---------|----------|-----|---------|
|   | HE                        | E       | N       | NE      | HNE     | Tot      | M   | HS                       | S       | M       | DS      | HDS     | Tot      | M   |         |
| Tangibility                                   |                           |         |         |         |         |          |     |                          |         |         |         |         |          |     |         |
| Adequate No. of branches                      | 120 (24)                  | 52 (13) | 21 (07) | 18 (09) | 07 (07) | 218 (60) | 3.6 | 75 (15)                  | 04 (01) | 48 (16) | 8 (04)  | 24 (24) | 159 (60) | 2.6 | 1.0     |
| Accessible location of the branch             | 60 (12)                   | 64 (16) | 45 (15) | 16 (08) | 09 (09) | 194 (60) | 3.2 | 15 (03)                  | 56 (14) | 39 (13) | 24 (12) | 18 (18) | 152 (60) | 2.5 | 0.7     |
| Good ambience of the branch                   | 75 (15)                   | 16 (04) | 18 (06) | 36 (18) | 17 (17) | 162 (60) | 2.7 | 130 (26)                 | 32 (08) | 15 (05) | 12 (06) | 15 (15) | 204 (60) | 3.4 | -0.7    |
| Reliability                                   |                           |         |         |         |         |          |     |                          |         |         |         |         |          |     |         |
| handling customer's problems                  | 55 (11)                   | 32 (08) | 57 (19) | 24 (12) | 10 (10) | 178 (60) | 2.9 | 100 (20)                 | 48 (12) | 24 (08) | 18 (09) | 11 (11) | 201 (60) | 3.3 | -0.4    |
| Efficient Staff                               | 65 (13)                   | 56 (14) | 21 (07) | 18 (09) | 17 (17) | 177 (60) | 2.9 | 20 (04)                  | 20 (05) | 42 (14) | 36 (18) | 19 (19) | 137 (60) | 2.2 | 0.7     |
| Grievance handling mechanis m                 | 40 (08)                   | 36 (09) | 33 (11) | 40 (20) | 12 (12) | 161 (60) | 2.7 | 15 (03)                  | 48 (12) | 39 (13) | 38 (19) | 13 (13) | 153 (60) | 2.5 | 0.2     |
| Responsiveness                                |                           |         |         |         |         |          |     |                          |         |         |         |         |          |     |         |
| Innovative ness in introduc in g new products | 75 (15)                   | 28 (07) | 30 (10) | 24 (06) | 22 (22) | 179 (60) | 2.9 | 50 (10)                  | 60 (15) | 75 (25) | 08 (04) | 06 (06) | 199 (60) | 3.3 | -0.4    |
| Financially stable                            | 95 (19)                   | 48 (12) | 42 (14) | 16 (08) | 07 (07) | 208 (60) | 3.4 | 30 (06)                  | 44 (11) | 39 (13) | 28 (14) | 16 (16) | 157 (60) | 2.6 | 0.8     |
| Value for money                               | 70 (14)                   | 24 (06) | 48 (16) | 08 (04) | 20 (20) | 170 (60) | 2.8 | 115 (23)                 | 28 (07) | 33 (11) | 28 (14) | 05 (05) | 209 (60) | 3.4 | -0.6    |
| Assurance                                     |                           |         |         |         |         |          |     |                          |         |         |         |         |          |     |         |
| Trained and well-informed agents              | 85 (17)                   | 12 (03) | 60 (20) | 28 (14) | 06 (06) | 191 (60) | 3.1 | 80 (16)                  | 16 (04) | 57 (19) | 02 (01) | 20 (20) | 175 (60) | 2.9 | 0.2     |
| Approachi ng from customer's point of view    | 55 (11)                   | 36 (09) | 57 (19) | 02 (01) | 20 (20) | 170 (60) | 2.8 | 75 (15)                  | 52 (13) | 06 (02) | 28 (14) | 16 (16) | 177 (60) | 2.9 | -0.1    |
| Understan ding intimately specific needs      | 90 (18)                   | 08 (02) | 69 (23) | 14 (07) | 10 (10) | 191 (60) | 3.2 | 65 (13)                  | 12 (03) | 42 (14) | 34 (17) | 13 (13) | 166 (60) | 2.7 | 0.5     |
| Empathy                                       |                           |         |         |         |         |          |     |                          |         |         |         |         |          |     |         |
| Easy  | 140                       | 08      | 39      | 16      | 09      | 212      | 3.5 | 50                       | 24      | 57      | 48      | 01      | 180      | 3.0 | 0.5     |

| access                 | (28)        | (02)       | (13)       | (08)       | (09)       | (60)        |     | (10)       | (06)       | (19)       | (24)       | (01)       | (60)        |     |     |
|------------------------|-------------|------------|------------|------------|------------|-------------|-----|------------|------------|------------|------------|------------|-------------|-----|-----|
| Good communication     | 100<br>(20) | 56<br>(14) | 03<br>(01) | 24<br>(12) | 08<br>(08) | 191<br>(60) | 3.2 | 70<br>(14) | 21<br>(06) | 09<br>(03) | 14<br>(07) | 30<br>(30) | 147<br>(60) | 2.4 | 0.8 |
| Customer understanding | 50<br>(10)  | 84<br>(21) | 45<br>(15) | 08<br>(04) | 10<br>(10) | 197<br>(60) | 3.2 | 15<br>(03) | 48<br>(12) | 39<br>(13) | 38<br>(19) | 13<br>(13) | 153<br>(60) | 2.5 | 0.7 |

Source: Primary Data

As a result of the above table-6, Private Insurance Companies are having less service quality in Adequate Number of branches in Tangibility, Efficient Staff in reliability, financial stability in Responsiveness, Understanding intimately specific needs in Assurance and Good communication in Empathy. Among these five dimensions of service quality, private insurance companies have to improve in Empathy.

## FINDINGS OF THE STUDY

- LIC Policyholder's level of Awareness in policies are higher than private insurance policyholders.
- From Chi-Square test we find that, there is no significant relationship between the age and Awareness of various policies.
- LIC Policyholder's level of satisfaction is higher than private insurance policyholders.
- From Chi-Square test we find that, there is no significant relationship between income and Satisfaction of various Services
- In the Analysis of service gap between the public insurer and private insurer, public insurer got less service quality in tangibility, Reliability, and Assurance than private insurer. And private insurer got less service quality in Responsiveness and Empathy than public insurer.

## VI. SUGGESTION TO IMPROVE THE SERVICE QUALITY

The customers trust the public sector insurance companies since these insurance companies have existed in the market for a longer period than the private sector insurance companies. The reliability factor is a positive factor for these public sector insurance companies. These public sector insurance companies should position themselves in the market on the basis of this dimension and promote themselves aggressively.

As indicated by the study, the private sector insurance companies lack responsiveness as compared to the public sector insurance companies. So these private insurance players should make relevant strategies for gaining responsiveness. They should highlight the recent achievements in terms of number of policies, premium collected etc. so that the customers are aware of these and trust more on these private sector insurance companies.

In life Insurance sector the role of manpower is vital to increase the life insurance business as they determine the quality of the service towards a policy holder. Hence the agents and employees of LIC must be properly trained and imparted with knowledge, skills so that they become professionals in delivering the quality services to the policy holders. It is good to know all policies of LIC by its employees

## VII. CONCLUSION

It can be said that the insurance industry as a whole has re-corded profound growth after liberalization and privatization of the sector. Life insurance has now become an attractive channel for providing risk coverage against death or accident, for saving tax, for meeting post retirement needs, and as an investment tool for securing the future. The liberalization process and the competitive environment has acted as a catalyst in the life insurance sector and has thus improved the performance of LIC and made them equally efficient as compared to their private competitors. So, the LIC agents perceived a much better service quality of their company as compared to the agents of private sector life insurance companies.

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**FOREIGN DIRECT INVESTMENT IN INDIAN RETAIL SECTOR: SOME ISSUES AND CHALLENGES**

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**1. INTRODUCTION**

India is now the latest major frontline for globalized retail market. In the last twenty years since the economic liberalization of India in 1991, India's mid class has significantly expanded, and so has its expanding purchasing power. However, over the years, unlike other major emerging economies, India has been slow to open its retail sector to foreign investment. Foreign Direct Investment (FDI) is defined by the Reserve Bank of India (RBI) as when a foreign company wants to establish any business operation in India which may include company under the company Act, 1956 (joint venture or wholly owned subsidiary) or set up a Liaison office or project office or a branch office of the foreign company which can undertake activities permitted under the Foreign Exchange Management Regulation, 2000.

At present, almost all the developing countries liberalizing there FDI's and India is not different. Since liberalization India's Gross Domestic Product (GDP) has been increasing and India's middle class has expanded as well. India has been slow in opening economy for FDI in retail sector, but recent policy changes suggest that perspective of government is changing. In 2006, the government first time relaxed retail policy and since then, there has been gradual increase in FDI in the retail sector. It may bring in investment in completely backward area like infrastructure required for Food transfer from farmers to consumer that will improve efficiency in food sector, we can expect that retail sector will become organized and will save farmers from middlemen exploitation or it may also result in job loss in unorganized sector, it may become tough to procure food for Public Distribution System (PDS). In this paper we will study few aspect of FDI liberalization into retail sector; mainly we will study effect of FDI in food retail sector, farmers, traditional & employment and food inflation.

**2. RESEARCH OBJECTIVE**

- (a) To discuss the policies undertaken by Government of India (GOI) for FDI issue in retail marketing.
- (b) To study FDI root and scenario in Retail market in India.
- (c) To analyze the impacts of FDI into retail market on Farmers, Employment and Food Inflation.

**3. FDI IN RETAIL SECTOR**

The Indian retail sector is very different from that of the developed countries. In the developed countries, products and services normally reach consumers from the manufacturer/producers through two different channels : (a) via independent retailers (vertical separation') and (b) directly from the producer (vertical integration'). 'In the latter case, the producers found their own chains of retail outlets, or develop franchises.

**4. CONDITIONS FOR FDI ROUTE IN RETAIL SECTOR**

The conditions for 51% FDI in MBRT include a minimum investment of \$100 million by each player, 50% of it in back-end infrastructure, 30% procurement from micro, small and medium enterprises (MSMEs), and the government's right to procure the farm produce first. Further, the permission for MBRT has been granted for cities with a population of one million or more, which brings in 53 cities. Some of entrance routes used by them have been discussed in sum as below :

**5. IMPLICATIONS OF FDI IN FOOD RETAIL SECTOR****a) Impact on Farmers**

Indian supply chain is very complicated and moreover it has remained same since long time. With the growth of economy as well development of agriculture sector, the supply chain requires some changes. The Indian Farmers receive only 30% share of most of the food grains while in developed country this share ranges from 50% to 70% for most of the commodities. The main cause behind this difference is large number of intermediaries involved in the chain. All the intermediaries take some margin at various level as well as they also result in delay of supply of product to final consumer. The margin increases the final price at which the retailer sells the product to consumer. Entry of organized retailer through FDI in Indian market would result in efficiency and effectiveness of food supply chain as it will eliminate the unnecessary intermediaries from chain as a result the farmers will get decent prices as well as goods will be available to consumer at cheaper price. FDI will bring investment that is needed to modernize the farm sector.

**b) Impact on Traditional Retail and Employment**

The key factors that drive growth in retail industry are young demographic profile, increasing consumer aspirations, growing middle class incomes and improving demand from rural markets. Also, the increasing

incomes and improvements in infrastructure are broadening consumer markets and hurrying the convergence of consumer tastes. Economic liberalization of the Indian economy, increased in spending per capita income, even for the common citizen. Moreover, the coming up of dual income families in urban area also help in the growth of retail sector, even in small towns. In addition to that, the consumer preferences for shopping in new vicinities, availability of quality real estate and mall management practices and a shift in consumer demand to foreign brands like McDonalds, Sony, Panasonic, etc. also contributes to the spiral of growth in this sector.

#### c) Impact on Food Inflation

Food logistic system in India has many problems like lack of transport facility, storage facility etc. Most of the food items are perishable and because of improper transport and storage facility most of the produce got wasted. The major reason behind this problem is dominant part of the food industry consists of unorganized players and they fall short of funds as well as they lack behind in management. This problem can be solved through allowing FDI in this sector. FDI may fuel the funding requirement in logistics. Apart from this they generally operate at large scale and get benefit of economies of scale. Some of the big players in this industry are ITC and Bharti Wal-Mart. Past record reveals that they directly purchase products from farmers, pay them decent prices as well as they have good arrangement of transportation and storage facility which result in minimum loss and this reap them huge benefit. This system is beneficial for farmers as well as consumers because these companies work at very small margin and as result products are available at cheap prices.

#### 4. CONCLUSION

India being one of the major economies in the world has been enjoying huge and regular FDI from Investor of all around the world. Majority of this FDI in India has been made in the sectors of telecommunication, construction, computer software and hardware etc. At the time of independence India welcome FDI cautiously but as it developed FDI has been liberalized gradually. FDI in retail sector has been permitted to enter in 2006 and gradually it liberalized and recently in 2011, 100% FDI in single brand retail permitted and in 2012, 51% FDI in multi brand retail permitted. This has led to debate regarding implication of this policy; in this paper we have analyzed implication of these policies on farmers, traditional retail & employment and on food inflation. FDI has positive impact on some sectors while negative on others. In our analysis we have seen that FDI will bring investment for modernizing farm as well as retail sector and will also improve supply chain. As a result of these factors food inflation will come down and it will benefit consumers as well. On the employment side it can have negative impact as major part of retail sector is unorganized and as a result of FDI many global players will enter in this sector, this may displace the small players.

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**E-COMMERCE STRATEGIES TO INCREASE THE ONLINE CUSTOMERS****R. Balaji**

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**ABSTRACT**

*E-Commerce refers to buying and selling of the products and services online. Mobile applications and Internet are very important tools for e-commerce. The popularity of e-commerce has increased these days. Here one can buy and sell products on a global platform, twenty-four hours a day with privacy. This innovation includes online shopping, auction sites, internet banking, hotel booking, e-ticketing, fund transfer, m-commerce and so on. Many Dot.com companies meet failure now a days due to severe competition and other reasons. Investors are afraid of investing in the new e-commerce companies. This paper aims to disclose the e-commerce strategies suitable for the current scenario. This paper tries to offer a roadmap for the research scholars by disclosing insight of what has been studied up to now in e-business research and what are the future possibilities in the growing industry.*

*Keywords: E-Commerce, m-commerce, strategies, Internet banking*

**OBJECTIVE**

To know the present status and strategies of e-commerce and to suggest suitable e-commerce strategies to reach and increase the online customers.

**INTRODUCTION**

The term e-commerce denotes commercial transactions done online. If the people buy or sell products or services through Internet, they are involved in e-commerce. Oxford dictionary defines the term e-commerce as Commercial transactions conducted electronically on the Internet. [ 1 ] Cambridge dictionary defines the word E-Commerce as the business of buying and selling goods and services on the internet. [ 2 ] Laudon and Traver and Owens define electronic commerce such as transactions and activities that occur in the WEB [ 3 ]

We may classify e-commerce in different methods like products, services, involving parties or the website involved. If the business concern is selling products or services, it may want to attract new customers by applying new strategies. A Strategy is a collection of techniques to reach the goals of the business organisation. Based on the goals the strategies are different and we can see them for attracting new and various customers for the online store.

**Growth**

- 38 years for Radio to achieve 30% share of U. S. households.
- 17 years for Television to achieve 30%.
- 10 years for Internet to achieve 53%.

[ 4 ]

**E-COMMERCE TYPES**

- ✓ BUSINESS TO CONSUMER ( B2C ) - Flipkart
- ✓ BUSINESS TO BUSINESS ( B2B ) - alibaba.com
- ✓ CONSUMER TO CONSUMER (C2C) - eBay
- ✓ SOCIAL E-COMMERCE - facebook
- ✓ M - COMMERCE ( Mobile Commerce) - Mobile tabs or Smartphone online transactions
- ✓ LOCAL E-COMMERCE - Order online consume locally.[ 5 ]

**E-Commerce Strategies to increase the online customers :****1. Need based sale of products and services**

The online store should introduce those products or services which are demanded more among the people. This needs certain research to estimate the customers' demand for the products.

**2. Amazing photographs and attractive information**

The prospects or the potential customers may be tempted by way of amazing photos of the company products. The latest and high quality cameras are to be used for this purpose.



Besides the information given about the products should be consumer oriented and not the company oriented one i.e. it may be based on the consumers' taste , preference, culture, self image , financial capability etc.

3. Some technologies like 3D effects are suitable for more attention. If possible visual reality can be applied i.e. trial of the product online . For instance the customer may verify the shirt with his photo and he can order online when he is satisfied. Some companies may permit the consumers to pay money after trial at their doorstep ( myntra ).

#### 4. Force to buy

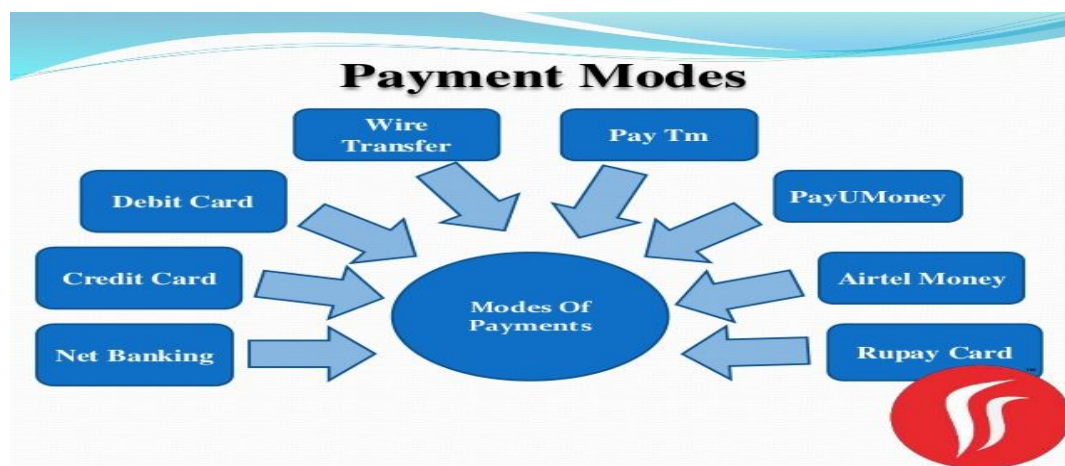
The online seller may force the shopper artificially or make curiosity to buy the things urgently. This means making announcements like 'Today is the last day of offer', 'Limited stock','15% special discount for two days only'

#### 5. Finding similar customers through social media

Social media like facebook , whatsapp group , are very useful to find those who are similar to the existing customers. By this way the customers can be increased at a large level.

#### 6. Varieties of payment option

Time has changed a lot. Now a days the online buyers are ready to make many modes of payments viz.,



#### 7. Customer feedback

Customers can create customers. Similarly Satisfied Customers create a huge volume of prospects. This is possible through customers feedback online

#### 8. Genuine Offers

Always the buyers are interested in the additional benefits but at the same time they know over attractions in the name of Offers. Too many offers may threaten them to go away and shop from other websites. So the offers given should be genuine and reasonable, because " Too much of anything is good for nothing "

#### 9. Price Ranges

Actually most of the online shoppers want to choose medium range prices and may avoid very cheap and very costly one. This criteria may be suitable for the regular or usual shoppers online. Some exemptions are there like 'apple' iphone is highly priced and apple watches in India are costly .

#### CONCLUSION

Increasing sales volume is the ultimate aim of the e-commerce organisations and to achieve more profit. So we can suggest these important things for the growth of e-commerce business concerns:

- strategies should be goal based
- past strategies may be reviewed again
- consumer feedback is to be analysed regularly and suitable action should be taken
- surveys may be conducted through proper methods
- Advertisements by innovative ways and by using latest technologies
- customer retention strategies to be found
- Four P's viz., product, promotion, price and place based steps to be applied

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**IMPACT OF FDI ON GDP OF THE INDIAN ECONOMY**

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**ABSTRACT**

*In the Post LPG Era, the Indian economy has been well integrated with different economies across the globe. In integrating with other economies, one of the major factors which affect the Indian economy is the Foreign Direct Investments. Recently, the Government of the day is very interested in attracting the Foreign Investments to the country. This is visible in the improvement of rank in Ease of Doing Business (EDB) index released by the World Bank to 77 among the 190 nations in 2018 (from earlier 130 in 2016 and 100 in 2017). The Government Policies like MAKE IN INDIA, SEZ are making a notable impact in facilitating the Foreign Direct Investments. The paper analyses the relationship between the GDP of the Indian Economy and the FDI attracted by it. The variables such as Exports and Imports and their impact also have been analyzed. The tools used in the study are Regression and Correlation Analysis to establish the relationship between the variables. This paper will give an insight about the contribution of FDI, Exports and Imports towards the GDP of Indian economy.*

*Keywords: FDI, GDP, Exports, Imports, MAKE IN INDIA,*

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**INTRODUCTION**

The transition of Indian economy from a closed and conservative one to an open economy is an interesting episode in the modern history of India. In the early days, the Honorable PM Pandit. Jawaharlal Nehru was hesitant towards the investments from other countries. This is because he was well aware of the ill-effects caused by the investments by the British East India Company and its subsequent conquest of the Nation. Hence, he was not interested opening the economy once again to the erstwhile Imperialistic Nations.

The vision of Nehru was Self-Sustainability. To ensure this he followed the socialism and hence most of the capital intensive industries were Government owned. But the sustainability of this model in the long-run is questionable in the Globalized Economy. It was during the economic crisis of 1991 the Indian Authorities realized the importance of an open economy. Also IMF was ready to bail-out on a number of conditions which ultimately led to the opening of Indian economy. This is called the era of Liberalization, Privatization and Globalization (LPG era). With opening of various sectors of the economy, the country has faced numerous opportunities as well as challenges. One among the opportunity is the Foreign Investments (both FDI as well as FPI). The integration of Indian economy with the International economic chains has brought many innovative technologies, skilled managerial workforce into the nation. This paper has analyzed the impacts of FDI, Exports and Imports on the GDP of the Indian economy and also tried to establish the relationship between the variables.

**REVIEW OF LITERATURE**

Iqbal, Ahmad, Haider and Anwar (2013) have analyzed the relationship between FDI and GDP in Pakistan. They used the variables such as the Labor, Capital, Health and Openness of an economy. Also they have used Cobb-Douglas Production Function for testing the relationship between the GDP and FDI. They have also found that the relationship is positive between GDP and FDI. The paper also pointed out the Pakistan economy is not receiving enough inflows of FDI.

Khan, S. & Mehboob, F. (2014) emphasized the importance of attracting the FDI. This emphasis was because of the contribution of FDI towards the economic growth of the nation. Also the researchers have suggested that the Governments should make their policies which are friendly to attract the Foreign investments.

Abbas, Q. & others (2011) carried out the research on the relationship between FDI and GDP for the SAARC Countries. They used the data for the years 2001-2010. They found that the other factors such as the infrastructure, labor force in addition to investments also plays a major role in the growth of the economies.

Rahaman, A. (2015) in his study on Bangladesh has found that in general the FDI inflows to Asian Countries are low. He has used the Co-Integration test to know about the long-run equilibrium relationship between the FDI and GDP. Also he has used Granger-Causality test and found out that there is a uni-directional causality from FDI to GDP.

**NEED FOR THE STUDY**

The Foreign Direct Investment now-a-days is playing a major in the domestic economy. This is in terms of productivity, efficiency, quality, quantity etc. The Government of India (GOI) is also showing interest in

attracting the long term FDIs. This is visible from many initiatives of GOI like MAKE IN INDIA, abolition of FIPB, relaxing FDI norms in various sectors of the economy has been done in the recent days.

This paper may give an insight into the role played by the FDI in impacting the GDP of Indian economy. Also the impact of Exports and Imports on GDP has also been studied. These analyses may give inputs to the policy-making and also to make any modifications in the future plans for the Government of India. The study may show how dependent our economy on the Foreign Direct Investment and suggest ways to diversify our sources of Investment.

### OBJECTIVES OF THE STUDY

1. To examine the relationship between the Foreign Direct Investment (FDI) and the Gross Domestic Product (GDP) of the Indian Economy.
2. To study the influence of Exports on the GDP of Indian Economy.
3. To investigate the influence of Imports on the GDP of Indian Economy.

### RESEARCH METHODOLOGY

**Period of study:** The study was conducted for a period of 18 years from 2000 to 2017.

**Sources of Data:** The study is based on secondary data and hence the data was collected from the World Development Indicators of World Bank.

**Analytical Tools used in the study:** The tools used in the study are Simple linear regression and correlation.

**Constraints:** In reality, the GDP of a country is also affected by the private domestic investments, savings in the economy, FPI, Interest rates etc. This study focuses only on the FDI, Exports and Imports.

### HYPOTHESIS OF THE STUDY

**H<sub>0</sub>:** There is no significant relationship between GDP and FDI of Indian economy.

**H<sub>1</sub>:** There is no significant relationship between GDP and Exports of Indian economy.

**H<sub>2</sub>:** There is no significant relationship between GDP and Imports of Indian economy.

### RESULTS AND DISCUSSIONS

The data for 18 years from 2000-2017 for the Indian economy have been analyzed using Regression and Correlation and the interpretation for the same is presented in the following tables:

**Table No-1: (Regression analysis on GDP and FDI)**

| Variable             | Coefficient | Std. Error              | t-Statistic | Prob.  |
|----------------------|-------------|-------------------------|-------------|--------|
| C                    | 4.34        | 1.62                    | 2.68        | 0.01   |
| FDI                  | 38.17       | 5.69                    | 6.70        | 0.0000 |
| R-squared            | 0.73        | Mean dependent variable |             | 1.35   |
| Adjusted R-squared   | 0.72        | S.D. dependent variable |             | 6.87   |
| S.E. of regression   | 3.63        | Akaike info criterion   |             | 56.17  |
| Sum squared residual | 2.11        | Schwarz criterion       |             | 56.27  |
| Log likelihood       | -503.60     | Hannan-Quinn criterion. |             | 56.19  |
| F-statistic          | 44.90       | Durbin-Watson stat      |             | 0.91   |
| Prob(F-statistic)    | 0.000005    |                         |             |        |

Source: Researchers Computed

**INTERPRETATION:** The above is the Regression analysis of GDP (dependent variable) and FDI (independent variable) in Table No.1. From the above analysis, the t-test shows a significant relationship between GDP and FDI. When created as a model, F-statistic confirms that the model is significant. Also the value of **R<sup>2</sup> shows that 73%** determines the degree of relationship between GDP and FDI.

**Table No-2: (Regression analysis on GDP and Exports)**

| Variable           | Coefficient | Std. Error              | t-Statistic | Prob.  |
|--------------------|-------------|-------------------------|-------------|--------|
| C                  | 1.79        | 8.41                    | 2.13        | 0.049  |
| EXPORTS            | 4.10        | 0.25                    | 15.94       | 0.0000 |
| R-squared          | 0.94        | Mean dependent variable |             | 1.35   |
| Adjusted R-squared | 0.93        | S.D. dependent variable |             | 6.87   |
| S.E. of regression | 1.72        | Akaike info criterion   |             | 54.68  |

|                      |          |                         |       |
|----------------------|----------|-------------------------|-------|
| Sum squared residual | 4.75     | Schwarz criterion       | 54.78 |
| Log likelihood       | -490.19  | Hannan-Quinn criterion. | 54.70 |
| F-statistic          | 254.31   | Durbin-Watson stat      | 0.49  |
| Prob(F-statistic)    | 0.000000 |                         |       |

Source: Researchers Computed

**INTERPRETATION:** The above is the Regression analysis of GDP (dependent variable) and Exports (independent variable) in Table No.2. From the above analysis, the t-test shows a significant relationship between GDP and Exports. When created as a model, F-statistic confirms that the model is significant. Also the value of  $R^2$  shows that 94% determines the degree of relationship between GDP and Exports.

**Table No-3: (Regression analysis on GDP and Imports)**

| Variable             | Coefficient | Std. Error              | t-Statistic | Prob.  |
|----------------------|-------------|-------------------------|-------------|--------|
| C                    | 2.30        | 1.04                    | 2.20        | 0.04   |
| IMPORTS              | 3.13        | 0.25                    | 12.40       | 0.0000 |
| R-squared            | 0.90        | Mean dependent variable |             | 1.35   |
| Adjusted R-squared   | 0.89        | S.D. dependent variable |             | 6.87   |
| S.E. of regression   | 2.17        | Akaike info criterion   |             | 55.15  |
| Sum squared residual | 7.57        | Schwarz criterion       |             | 55.25  |
| Log likelihood       | -494.37     | Hannan-Quinn criterion. |             | 55.16  |
| F-statistic          | 153.78      | Durbin-Watson stat      |             | 0.55   |
| Prob (F-statistic)   | 0.000       |                         |             |        |

Source: Researchers Computed

**INTERPRETATION:** The above is the Regression analysis of GDP (dependent variable) and Imports (independent variable) in Table No.3. From the above analysis, the t-test shows a significant relationship between GDP and Imports. When created as a model, F-statistic confirms that the model is significant. Also the value of  $R^2$  shows that 90% determines the degree of relationship between GDP and Imports.

**Table No-4: (Correlation Analysis)**

|                |                     | GDP    | FDI    | EXPORTS | IMPORTS |
|----------------|---------------------|--------|--------|---------|---------|
| <b>GDP</b>     | Pearson correlation | 1      |        |         |         |
|                | Sig.                |        |        |         |         |
| <b>FDI</b>     | Pearson correlation | .859** | 1      |         |         |
|                | Sig.                | .000   |        |         |         |
| <b>EXPORTS</b> | Pearson correlation | .849** | .970** | 1       |         |
|                | Sig.                | .000   | .000   |         |         |
| <b>IMPORTS</b> | Pearson correlation | .846** | .952** | .995**  | 1       |
|                | Sig.                | .000   | .000   | .000    |         |

\*\*. Correlation is significant at the 0.01 level (2-tailed)

**INTERPRETATION**

- The Pearson correlation co-efficient computed for GDP and FDI is significantly higher. Hence, **the hypothesis ( $H_0$ ) is rejected** at a confidence level of 0.01. The results indicate that there is a significant positive relationship between GDP and FDI.
- The Pearson correlation co-efficient computed for GDP and Exports is significantly higher. Hence, **the hypothesis ( $H_1$ ) is rejected** at a confidence level of 0.01. The results indicate that there is a significant positive relationship between GDP and Exports.
- The Pearson correlation co-efficient computed for GDP and Imports is significantly higher. Hence, **the hypothesis ( $H_2$ ) is rejected** at a confidence level of 0.01. The results indicate that there is a significant positive relationship between GDP and Imports.

**SUGESSTIONS**

- As the study indicates that there is a significant relationship between FDI and GDP, the Government of the day should fine tune the present policies which will be attractive for the Foreign Investors.
- The policy such as abolition of Foreign Investment Promotion Board (FIPB) in order to make the process of investment easy is in the right direction. Yet shortcomings such as departmental delays should be taken care of.

- Single Window Clearance of proposals for investment should be widened across various sectors of the economy.
- Cap set at 49% for FDI in some sectors might be carefully increased after taking into consideration the issues such as national interest and prevention of labour exploitation.
- The critical sectors such as mining, healthcare, banking might be critically evaluated for the FDI since these sectors are having a direct impact on the society. As mentioned in the Preamble of the Constitution of India, to some extent the country can maintain its socialistic nature, in-order to ensure adequate safeguards to the citizens of the country.
- The initiatives such as Special Economic Zones (SEZ) might be provided with adequate Infrastructure so that it is attractive for the Foreign Investors. Also the GOI should have some provisions related to absorbing the domestic workforce.
- A balance should be maintained while framing policies which ensure that the FDI is attracted and at the same time the welfare of the citizens is not compromised.

### CONCLUSION

The role played by the FDI on the GDP of Indian Economy in the modern days is evident from the study. The analysis of 18 years data has showed that the FDI inflow is significantly contributing to the GDP of the Indian economy. But the economy of a country cannot rely only on the FDI. It should encourage the domestic investments as well. India was among the “Fragile Five”, a term coined by Morgan Stanley in which he explained that the five countries which depended on unreliable foreign investments. The unreliable investment here is the short-term FPIs. Thanks to the intervention by the Government that India was able to come out of the Fragile Five economies. The relationship between the GDP and FDI, Exports, Imports is significant and hence the Government of the day should concentrate on improving the policies which favor FDI and also consider the policies which favor Exports and reduce the dependency of the economy on Imports. This intervention of favoring exports and reducing dependency on imports will create a favorable current account balance with surplus Foreign Exchange Reserves. This surplus Forex reserves will help the nation in getting a greater role in geo-politics because of its Economic might.

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**ANALYSIS OF MODES OF TRANSPORT OF AGRICULTURE EXPORTS IN INDIA**

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**ABSTRACT**

*In this study, the researcher has attempted to analyse modes of transport of agriculture exports in India, such as Seaport, ICDs, Airport, Rail/Roadways and Special Economic Zones. The analyses is done for the period of Ten years from 2008-09 to 2017-18. The required secondary data are collected from the reports of Agriculture and Processed Food Products Export Development Authority. As per the Economic Survey 2017-18, the Indian logistics sector provides livelihood to 22 million-plus people and improving the sector would facilitate a 10 per cent decrease in indirect logistics cost, leading to a growth of 5-8 per cent in exports. Further, the Survey estimates that the worth of Indian logistics market would be around US\$ 215 billion in next two years compared to about US\$ 160 billion currently. The boom in next couple of years is expected largely due to the implementation of Goods and Service Tax (GST). The exporters select mode of transport based on time and cost. It is found that the percentage of export through sea route is getting down during 2008-09 to 2017-18, from 73.83 per cent to 55.79 per cent, whereas the share of export through inland container depot is under increasing trend from 20.18 per cent to 36.05 per cent during the study period.*

*Agriculture products exported from Nhavasheva port is more than the other ports and agriculture products exported from ICD Jodhpur is more than other ports during the study period.*

*Keywords: Transport, Agriculture Exports, Logistic Cost, Goods and Service Tax (GST)*

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**INTRODUCTION**

Globalisation has led to increased trade and investment flows among countries and has also intensified competition in the world market. Greater competition has increased the importance of efficiency in logistics management, which is an important determinant of export competitiveness. Many countries that have intensified their links with the global economy through trade and investment have grown more rapidly over a sustained period and have consequently experienced economic development. The presence of a robust logistics-related infrastructure and an effective logistics management system facilitates seamless movement of goods from the point of origin to that of consumption, and aids an economy's movement to prosperity. The progress of logistics sector holds an immense value for Indian economy as well; as such advancement would increase exports, generate employment and give the country a significant place in the global supply chain.

The current scenario, Indian logistics sector is a sunshine industry and is going through a phase of transformation. Due to the initial efforts of Government of India (GoI), such as "Make in India" programme and improvements in infrastructure along with the emergence of skilled professionals, the country's position bettered from 54 in 2014 to 35 in 2016 in the World Bank (WB)'s Logistics Performance Index (LPI), in terms of overall logistics performance. In fact, India improved its tally in all the six components of LPI. India also registered an overall 30 points rise in 2017 and stood at 100th position compared to 2016, in the WB's Ease of Doing Business Index (EoDBI). To ensure ease of trading in the international and domestic arena it is important that steps are taken to build the Indian logistics sector in an integrated manner. The Survey suggests to achieve the same by harnessing the potential of emerging technologies, bringing in investment, creating human capital, removing bottlenecks, improving intermodal transport mix, automation, single window clearance system, and simplifying procedures.

The need of the hour is to formulate an integrated logistics policy. Today the stakeholders have to deal with multiple government agencies at the union, state and local levels, which result into avoidable delays. The integrated logistics policy could go a long way in streamlining and consolidating multidepartment requirements, besides facilitating corrective action, effective monitoring and prompt grievance redressal. Along with it, a mechanism needs to be created to measure the sector's performance at regular intervals against the set benchmarks, thus, providing evidences to the policymakers so that a favourable policy environment is created. To alter the country's logistics landscape, Govt of India has taken a number of decisions. The GST regime is certain to expedite faster conversion of informal logistics setups to formal ones and speed up freight movement at interstate borders due to dismantling of check posts. There is a target to reduce the logistics cost in India from the present 14% of GDP to less than 10% of it, by 2022. The logistics sector now finds a place in the

Harmonized Master List of Infrastructure Subsector. This inclusion is set to benefit the logistics industry as it will now have an access to cheaper and long term credit. Such a move will also lead to simplification of the approval process for the construction of multimodal logistics parks.<sup>1</sup>

In this chapter the researcher has analysed the following

1. Modes of transport utilised for exporting agriculture products, in India.
2. Sea port-wise agriculture export.
3. ICD-wise agriculture exports.
4. Airport-wise agriculture export.
5. Rail/Road-wise agriculture export.
6. Special Economic Zone-wise agriculture exports.

The researcher has used Standard Deviation, Co-efficient of Variation, and Analysis of Variance (ANOVA) to analyse and interpret transport related aspects of agriculture exports in India during the study period 2008-09 to 2017-18.

### **OBJECTIVE OF THE STUDY**

To analyse Modes of Transport of Agriculture exports of India.

### **SOURCES OF DATA**

This study is based on the secondary data collected from Agriculture and Processed Food Products Export Development Authority (APEDA).

### **REVIEW OF LITERATURE**

**Anuj Gupta (2016)**<sup>2</sup> in his article “Export of India’s Agro Processed Food Products: A Study of Tea” analysed the export of agro processed foods especially tea, its trend, direction, world’s export and measures to enhance export. The study revealed the position of India’s tea export in world market. It has been found that Iran, Russia, UK, USA and UAE are the major importers of tea from India; hence they must be focused more. China is the largest seller of tea at global market, while Iran is the largest purchaser of India’s black tea. Government policies and institution play an important role in enhancing the export of tea. Meanwhile, domestic demand of this product is also increasing due to increase in population and other related factors. The production of tea must also be increased by adopting various methods.

**Namita Kaur and Vishal Sarin(2017)**<sup>3</sup>, in their article “Comparative Advantages and Competitiveness of Indian Agricultural Products Exports to ASEAN in context of India’s Look East Policy” have stated that strengthening trade relations with East Asian countries has always been a matter of priority for two reasons. First, India wants to reduce dependence on developed countries as far as its trade was concerned and second, India wants to exploit large potential of growth lying with East Asian countries. In this direction, most coveted “Look East Policy” came into existence and India got its first free trade agreement in the form of India-ASEAN free trade agreement (AIFTA). But owing to its heavy reliance on agriculture, India never enjoyed a convincing position in agriculture products trade with ASEAN countries in particular and world, in general. This research paper measured the Indian export competitiveness vis-à-vis ASEAN countries in case of agriculture products and found that the products which India exported to ASEAN countries from 2001-15 showed a little change in the comparative advantage and competitiveness.

**Dr.M.Lakshmi Bala, and K.Sudhakar (2017)**<sup>4</sup>, in their paper revealed “An Overview of Export Performance of Agricultural Products in India” have stated that export is the basis of the overall growth performance of any

<sup>1</sup> <http://niti.gov.in/content/indian-logistics-sector-path-transformation>: accessed on 11/10/18

<sup>2</sup> Anuj Gupta (2016) “Export of India’s Agro Processed Food Products: A Study of Tea” Global Journal of Management and Business Research, Volume.16, Issue. 7, pp.7-13.

<sup>3</sup> Namita Kaur and Vishal Sarin(2017), “Comparative Advantages and Competitiveness of Indian Agricultural Products Exports to ASEAN in context of India’s look East Policy” International Journal of Agriculture Statistical Science. Vol. 13, No. 1, pp. 159-167.

<sup>4</sup> Dr.M.Lakshmi Bala, and K.Sudhakar (2017), “An Overview of Export Performance of Agricultural Products in India” Journal of Business and Management Volume 19, Issue 2, pp-1-5.



country. By increasing the rate of exports, any developing country can pave a way for the development by earning international liquidity thereby; sort out the problem of reserves to start up of any project to come out the circle of poverty. So, it becomes a paramount importance for the country like India to start export promotion measures to boost up the pace of its exports and India has already taken many steps to increase the level of its exports. It is concluded from the results of the study that raw cotton including waste, iron ore, plastic and linoleum and transport equipment has been observed as the products in which exports have been increased at the maximum rate, whereas exports of tea, iron and steel, mica and leather and manufacturing have been identified as the area in which satisfied results have not been achieved. So, it is suggested that government should promote exports of different sectors by providing different incentives to different sectors to avail the opportunity and fill up the gaps as well. Indian agricultural export has undergone significant changes during recent times. The study has also analyzed the comparative advantage of India's exports, through revealed comparative advantage (RCA). The RCA was improving in case of cotton, maize, and certain fruits and vegetables over time, but declining in case of some spices, rice and wheat. In case of plantation based spices and other commodities, India is gradually losing its comparative edge, mainly to Asian countries. The study has so identified yield improvement through growth in total factor productivity (TFP) as a potential factor that would result in generation of exportable surpluses and boosting India's export.

#### MODE OF TRANSPORT OF AGRICULTURE EXPORTS IN INDIA

Mode of transport of agriculture exports in India is analysed for the period 2008-09 to 2017-18 and the results are given in table 1. The modes are sea route, inland container depot, rail/road, air route and special economic zone.

**Table-1: Mode of Transport of Agriculture Exports in India**  
US \$ Millions

| Year    | SEA                | Air            | Rail/Road      | Inland Container Depot | SEZ            | Total              |
|---------|--------------------|----------------|----------------|------------------------|----------------|--------------------|
| 2008-09 | 5,545.10<br>73.8   | 164.41<br>2.2  | 271.01<br>3.6  | 1,515.80<br>20.2       | 14.2<br>0.2    | 7,510.52<br>(100)  |
| 2009-10 | 5,601.27<br>76.47  | 180.45<br>2.46 | 297.03<br>4.06 | 1,230.46<br>16.80      | 15.8<br>0.22   | 7,325.01<br>(100)  |
| 2010-11 | 6,211.71<br>66.77  | 174.8<br>1.88  | 419.69<br>4.51 | 2,476.88<br>26.63      | 19.66<br>0.21  | 9,302.74<br>(100)  |
| 2011-12 | 10,291.65<br>59.82 | 212.65<br>1.24 | 400.08<br>2.33 | 6,269.89<br>36.45      | 28.78<br>0.17  | 17,203.05<br>(100) |
| 2012-13 | 12,714.06<br>58.48 | 293.82<br>1.35 | 525.35<br>2.42 | 8,163.12<br>37.55      | 43.97<br>0.20  | 21,740.32<br>(100) |
| 2013-14 | 13,279.93<br>58.49 | 401.32<br>1.77 | 810.52<br>3.57 | 8,156.04<br>35.92      | 58.61<br>0.26  | 22,706.42<br>(100) |
| 2014-15 | 12,367.25<br>57.55 | 429.64<br>2.00 | 810.87<br>3.77 | 7,800.64<br>36.30      | 80.76<br>0.38  | 21,489.16<br>(100) |
| 2015-16 | 9,678.82<br>58.97  | 463.73<br>2.83 | 633.98<br>3.86 | 5,530.49<br>33.70      | 105.32<br>0.64 | 16,412.34<br>(100) |
| 2016-17 | 9,772.36<br>60.28  | 464.39<br>2.86 | 483.77<br>2.98 | 5,355.17<br>33.03      | 136.36<br>0.84 | 16,212.05<br>(100) |
| 2017-18 | 10,361.98<br>55.79 | 523.02<br>2.82 | 845.65<br>4.55 | 6,695.80<br>36.05      | 145.86<br>0.79 | 18,572.31<br>(100) |
| Mean    | 9,582.41           | 330.82         | 549.8          | 5,319.43               | 64.93          | 15,847.39          |
| S.D     | 2904.05            | 140.3          | 215.17         | 2674.99                | 49.84          | 5,852.68           |
| C.V     | 0.3                | 0.42           | 0.39           | 0.5                    | 0.77           | 0.37               |
| CAGR %  | 6.45               | 12.27          | 12.05          | 16.02                  | 26.23          | 9.48               |

Source: APEDA

The total agriculture exports was US \$ 7510.52 million in 2008-09 and it has increased to US \$ 18572.31 million in 2017-18. It is found that 73.83 per cent of total agriculture export was routed through sea port in 2008-09, 76.47 per cent in 2009-10. The share is getting reduced from the year 2010-11 to 2017-18. It is 55.79 per cent in 2017-18. The percentage of export through sea route is getting down during the study period, from 73.83 per cent to 55.79 per cent, whereas the share of export through inland container depot is under increasing

trend from 20.18 per cent to 36.05 per cent during the study period. It is found that export through inland container depot is comfortable and cost effective to the exporters. The share of export of agriculture products through rail/road, air, and special economic zone is negligible, 6 to 8 per cent during the study period. The co-efficient of variation for export through sea route is 0.3, inland container depot 0.5, rail/road 0.39, air 0.42 and special economic zone 0.77 respectively. It is found that consistency is seen in terms of quantity of exports through sea route and it is not revealed in rail/road, air, and special economic zone modes of export.

#### DIFFERENCE AMONG THE MODES OF TRANSPORT OF AGRICULTURE EXPORTS IN INDIA

In order to examine the difference among the modes of agriculture exports in India, the Analysis of Variance (ANOVA) test has been applied and the results are given in table 2

**Table-2: Difference among the modes of transport of agriculture exports in India**

| Source of Variation | SS       | df | MS       | F     | P-value  | F crit |
|---------------------|----------|----|----------|-------|----------|--------|
| Between Groups      | 7.03E+08 | 4  | 1.76E+08 | 56.12 | 6.38E-17 | 2.57   |
| Within Groups       | 1.41E+08 | 45 | 3131506  |       |          |        |
| Total               | 8.44E+08 | 49 |          |       |          |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $56.12 > 2.57$ ). Therefore the null hypothesis, there is no significant difference among the modes of transport of agriculture export is rejected. The alternative hypothesis, there is a significant difference among the modes of transport of agriculture export is accepted.

#### SEA PORT-WISE AGRICULTURE EXPORT FROM INDIA

Export of agriculture products seaport-wise is analysed and results are given in table 3. The researcher has analysed export of agriculture products through Nhava sheva port, Mundra port, Kandla port, Kakinada port, Chennai port and other ports in India for the period 2008-09 to 2017-18.

**Table-3: Sea port-wise Agriculture export from India**

US \$ Millions

| Year    | Nhava sheva port | Mundra port      | Kandla port      | Kakinada port    | Chennai port     | Other port       | Total             |
|---------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 2008-09 | 2172.11<br>39.17 | 661.93<br>11.94  | 1241.73<br>22.39 | 366.78<br>6.61   | 577.30<br>10.41  | 525.22<br>9.47   | 5545.07<br>(100)  |
| 2009-10 | 2204.86<br>39.36 | 947.29<br>16.91  | 1179.22<br>21.05 | 63.46<br>1.13    | 613.33<br>10.95  | 593.05<br>10.59  | 5601.21<br>(100)  |
| 2010-11 | 2650.32<br>42.67 | 1129.62<br>18.19 | 966.08<br>15.55  | 165.03<br>2.66   | 773.70<br>12.46  | 526.93<br>8.48   | 6211.68<br>(100)  |
| 2011-12 | 3549.32<br>34.49 | 2205.96<br>21.43 | 1223.96<br>11.89 | 1076.73<br>10.46 | 1094.52<br>10.64 | 1141.15<br>11.09 | 10291.64<br>(100) |
| 2012-13 | 3789.43<br>29.81 | 2791.25<br>21.95 | 1922.98<br>15.12 | 1437.52<br>11.31 | 1032.20<br>8.12  | 1740.67<br>13.69 | 12714.05<br>(100) |
| 2013-14 | 4489.59<br>33.81 | 3673.41<br>27.66 | 1342.23<br>10.11 | 1102.92<br>8.31  | 966.22<br>7.28   | 1705.51<br>12.84 | 13279.88<br>(100) |
| 2014-15 | 4327.49<br>34.99 | 3699.02<br>29.91 | 949.76<br>7.68   | 964.22<br>7.80   | 888.59<br>7.19   | 1538.19<br>12.44 | 12367.27<br>100   |
| 2015-16 | 3582.00<br>37.01 | 2878.95<br>29.74 | 529.63<br>5.47   | 602.76<br>6.23   | 770.75<br>7.96   | 1314.81<br>13.58 | 9678.9<br>100     |
| 2016-17 | 3579.82<br>36.63 | 2968.48<br>30.38 | 399.66<br>4.09   | 663.68<br>6.79   | 503.67<br>5.15   | 1657.07<br>16.96 | 9772.38<br>(100)  |
| 2017-18 | 3355.36<br>32.38 | 3002.58<br>28.98 | 1237.92<br>11.95 | 783.75<br>7.56   | 411.74<br>3.97   | 1570.71<br>15.16 | 10362.06<br>(100) |
| Mean    | 3370.03          | 2395.85          | 1099.32          | 722.69           | 763.20           | 1231.33          | 9582.42           |
| S.D     | 801.25           | 1113.57          | 428.57           | 438.82           | 232.65           | 504.66           | 2904.06           |
| C.V     | 0.24             | 0.46             | 0.39             | 0.61             | 0.3              | 0.41             | 0.3               |
| CAGR    | 4.44             | 16.32            | -0.03            | 7.89             | -3.32            | 11.58            | 6.45              |

Source: APEDA

Table 3 reveals that total export of agriculture products through seaports was US \$ 5545.07 million in 2008-09 and it has increased to US \$ 10362.06 million in 2017-18 showing the percentage increase of 87 per cent. The share of Nhava Sheva port in total agriculture exports is reduced from 39.17 per cent to 32.38 per cent, Mundra port increased from 11.94 per cent to 28.98 per cent, Kandla port reduced from 22.39 per cent to 11.95 per cent, Kakinada port increased from 6.61 per cent to 7.56 per cent, Chennai port reduced from 10.41 per cent to 3.97 per cent during the study period 2008-09 to 2017-18.

In 2008-09 the share of Nhavasena port was 39.17 per cent, Mundra port 11.94 per cent, Kandla port 22.39 per cent, Kakinada 6.61 per cent, Chennai port 10.41 per cent and it remains at 32.38 per cent, 28.98 per cent, 11.95 per cent, 7.56 per cent, and 3.97 per cent respectively in 2017-18. It is found that agriculture products exported from Nhavasheva port is more than the other ports during the study period. It is also found that the exporters of agriculture products are located in the hinterland of Nhavasheva port.

#### DIFFERENCE AMONG THE SEAPORT-WISE AGRICULTURE EXPORTS FROM INDIA

In order to examine the difference among the seaport-wise agriculture exports from India, the Analysis of Variance (ANOVA) test has been applied and the results are given in table 4

**Table-4: Difference among the Seaport-wise agriculture from India**

| Source of Variation | SS       | df | MS       | F     | P-value  | F crit |
|---------------------|----------|----|----------|-------|----------|--------|
| Between Groups      | 56228431 | 5  | 11245686 | 26.28 | 2.36E-13 | 2.38   |
| Within Groups       | 23103705 | 54 | 427846.4 |       |          |        |
| Total               | 79332136 | 59 |          |       |          |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $26.28 > 2.38$ ). Therefore the null hypothesis, there is no significant difference among the Seaport-wise agriculture exports from India is rejected. The alternative hypothesis, there is a significant difference among the Seaport-wise agriculture exports from India is accepted.

#### ICD-WISE EXPORT OF AGRICULTURE PRODUCTS FROM INDIA

Export of agriculture products Inland Container Depot-wise analysed and results are given in table 5. The researcher has analysed export of agriculture products through ICD Loni, ICD Noida, ICD Jodhpur, ICD Ludhiana, ICD Garhiharsaru, and other ICDs in India, for the period 2008-09 to 2017-18.

**Table-5: ICD-wise Export of Agriculture Products from India**

US \$ Millions

| Year    | ICD Loni        | ICD Noida-dadri  | ICD Jodhpur      | ICD Ludhiana    | ICD Garhiharsaru | Others           | Total            |
|---------|-----------------|------------------|------------------|-----------------|------------------|------------------|------------------|
| 2008-09 | 0<br>0.00       | 0<br>0.00        | 112.6<br>7.43    | 160.11<br>10.56 | 275.34<br>18.17  | 967.71<br>63.84  | 1515.76<br>(100) |
| 2009-10 | 0<br>0.00       | 0<br>0.00        | 106.15<br>8.63   | 127.88<br>10.39 | 364.91<br>29.66  | 631.54<br>51.32  | 1230.48<br>(100) |
| 2010-11 | 334.44<br>13.50 | 497.03<br>20.07  | 230.46<br>9.30   | 229.35<br>9.26  | 287.37<br>11.60  | 898.25<br>36.27  | 2476.9<br>(100)  |
| 2011-12 | 779.34<br>12.43 | 652.98<br>10.41  | 1829.86<br>29.18 | 403.47<br>6.44  | 600.69<br>9.58   | 2003.58<br>31.96 | 6269.92<br>(100) |
| 2012-13 | 975.96<br>11.96 | 832.21<br>10.19  | 1705.95<br>20.90 | 491.48<br>6.02  | 861.02<br>10.55  | 3296.68<br>40.38 | 8163.3<br>(100)  |
| 2013-14 | 936.77<br>11.49 | 1032.89<br>12.66 | 886.69<br>10.87  | 592.68<br>7.27  | 907.51<br>11.13  | 3799.68<br>46.59 | 8156.22<br>(100) |
| 2014-15 | 832.42<br>10.67 | 818.77<br>10.50  | 455.29<br>5.84   | 478.22<br>6.13  | 811.9<br>10.41   | 4404<br>56.46    | 7800.6<br>(100)  |
| 2015-16 | 710.46<br>12.85 | 484.04<br>8.75   | 221.41<br>4.00   | 316.02<br>5.71  | 428.81<br>7.75   | 3369.97<br>60.93 | 5530.71<br>(100) |
| 2016-17 | 524.12<br>9.79  | 347.83<br>6.50   | 118.79<br>2.22   | 179.55<br>3.35  | 148.24<br>2.77   | 4036.8<br>75.38  | 5355.33<br>(100) |
| 2017-18 | 541.72<br>8.09  | 337.11<br>5.03   | 150.46<br>2.25   | 136.3<br>2.04   | 70.07<br>1.05    | 5460.34<br>81.55 | 6696<br>(100)    |

|      |        |        |        |        |        |         |         |
|------|--------|--------|--------|--------|--------|---------|---------|
| Mean | 563.52 | 500.29 | 581.77 | 311.51 | 475.59 | 2886.86 | 5319.52 |
| S.D  | 222.2  | 251.73 | 704.33 | 164.12 | 329.72 | 1416.13 | 1905.89 |
| C.V  | 0.39   | 0.5    | 1.21   | 0.53   | 0.69   | 0.49    | 0.36    |
| CAGR | 6.21   | -4.74  | 2.94   | -1.6   | -12.79 | 18.89   | 16.02   |

Source: APEDA

Table 5 reveals that total export of agriculture products through ICD was US \$ 1515.76 million in 2008-09 and it has increased to US \$ 6696 million in 2017-18 showing the percentage increase of 342 per cent. The share of ICD Loni in total export of agriculture products is reduced from 13.50 per cent to 8.09 per cent, ICD Noida reduced from 20.07 per cent to 5.03 per cent, ICD Jodhpur reduced from 7.43 per cent to 2.25 per cent, ICD Ludhiana reduced from 10.56 per cent to 2.04 per cent ICD Garhiharsaru reduced from 18.17 per cent to 1.05 per cent.

In 2010-11 the share of ICD Loni was 13.50 per cent ICD Noida-20.07 per cent, ICD Jodhpur 7.43 per cent in 2008-09, ICD Ludhiana 10.56 per cent ICD Garhiharsaru 18.17 per cent and it remains at 8.09 per cent, 5.03 per cent, 2.25 per cent, 2.04 per cent, and 1.05 per cent respectively in 2017-18. It is found that agriculture products exported from ICD Jodhpur is more than other ports during the study period. Exporters of agriculture products are located in hinterland of Jodhpur and exporters receive port services more conveniently closer to their premises in ICD Jodhpur.

#### DIFFERENCE AMONG THE INLAND CONTAINER DEPOT-WISE AGRICULTURE EXPORTS IN INDIA

In order to examine the difference among the Inland Container Depot-wise Agriculture exports in India, Analysis of Variance (ANOVA) test has been applied and the results are given in table 6.

**Table-6: Difference among the Inland Container Depot-wise Agriculture exports in India**

| Source of Variation | SS       | df | MS      | F    | P-value  | F crit |
|---------------------|----------|----|---------|------|----------|--------|
| Between Groups      | 48472267 | 5  | 9694453 | 16.2 | 9.77E-10 | 2.38   |
| Within Groups       | 32309768 | 54 | 598329  |      |          |        |
| Total               | 80782035 | 59 |         |      |          |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $16.20 > 2.38$ ). Therefore the null hypothesis, there is no significant difference among the Inland Container Depot-wise agriculture exports in India is rejected. The alternative hypothesis, there is a significant difference among the Inland Container Depot-wise agriculture exports in India is accepted.

#### AIRPORT-WISE AGRICULTURE EXPORT FROM INDIA

Export of agriculture products Airport-wise is analysed and results are given in table 7. The researcher has analysed export of agriculture products through Mumbai Airport, Delhi Airport, Bangalore Airport, Cochin Airport, Trivandrum Airport, and other Airport in India, for the period 2008-09 to 2017-18.

**Table-7: Airport-wise Agriculture export from India**

US \$ Millions

| Year    | Mumbai Airport | Delhi Airport | Bangalore Airport | Cochin Airport | Trivandrum Airport | Others | Total  |
|---------|----------------|---------------|-------------------|----------------|--------------------|--------|--------|
| 2008-09 | 92.28          | 6.3           | 12.01             | 15.98          | 13.03              | 24.74  | 164.34 |
|         | 56.15          | 3.83          | 7.31              | 9.72           | 7.93               | 15.05  | (100)  |
| 2009-10 | 96.92          | 6.98          | 13.09             | 26.18          | 12.79              | 24.43  | 180.39 |
|         | 53.73          | 3.87          | 7.26              | 14.51          | 7.09               | 13.54  | (100)  |
| 2010-11 | 84.68          | 11.36         | 14.53             | 27.31          | 14.51              | 22.41  | 174.80 |
|         | 48.44          | 6.50          | 8.31              | 15.62          | 8.30               | 12.82  | (100)  |
| 2011-12 | 108.1          | 19.7          | 18.29             | 17.33          | 16.70              | 32.50  | 212.62 |
|         | 50.84          | 9.27          | 8.60              | 8.15           | 7.85               | 15.29  | (100)  |
| 2012-13 | 110.41         | 78.07         | 25.44             | 19.94          | 17.57              | 41.79  | 293.22 |
|         | 37.65          | 26.63         | 8.68              | 6.80           | 5.99               | 14.25  | (100)  |
| 2013-14 | 116.94         | 144.62        | 28.76             | 26.01          | 18.75              | 66.39  | 401.47 |
|         | 29.13          | 36.02         | 7.16              | 6.48           | 4.67               | 16.54  | (100)  |

|         |                 |                 |                |                |               |                |                 |
|---------|-----------------|-----------------|----------------|----------------|---------------|----------------|-----------------|
| 2014-15 | 106.51<br>24.79 | 161.83<br>37.66 | 45.67<br>10.63 | 35.28<br>8.21  | 17.67<br>4.11 | 62.77<br>14.61 | 429.73<br>(100) |
| 2015-16 | 115.58<br>24.92 | 152.57<br>32.89 | 53.74<br>11.59 | 53.60<br>11.56 | 18.35<br>3.96 | 69.97<br>15.09 | 463.81<br>(100) |
| 2016-17 | 129.02<br>27.78 | 138.41<br>29.80 | 50.50<br>10.87 | 54.77<br>11.79 | 15.51<br>3.34 | 76.26<br>16.42 | 464.47<br>(100) |
| 2017-18 | 162.33<br>30.93 | 146.89<br>27.99 | 56.09<br>10.69 | 45.65<br>8.70  | 14.06<br>2.68 | 99.80<br>19.02 | 524.82<br>(100) |
| Mean    | 112.28          | 86.67           | 31.81          | 32.21          | 15.89         | 52.11          | 330.97          |
| S.D     | 21.78           | 68.87           | 17.91          | 14.49          | 2.21          | 26.63          | 140.65          |
| C.V     | 0.19            | 0.79            | 0.56           | 0.45           | 0.14          | 0.51           | 0.42            |
| CAGR    | 5.81            | 37.01           | 16.66          | 11.07          | 0.76          | 14.97          | 12.31           |

Source: APEDA

Table 7 reveals that total export of agriculture products through Airports was US \$ 164.34 million in 2008-09 and it has increased to US \$524.82 million in 2017-18 showing the percentage increase of 219 per cent. The share of Mumbai Airport in total agriculture exports is reduced from 56.15 per cent to 30.93 per cent, Delhi airport increased from 3.83 per cent to 27.99 per cent, Bangalore airport increased from 7.41 per cent to 10.69 per cent, Cochin airport reduced from 9.72 per cent to 8.70 per cent and Trivandrum airport reduced from 7.93 per cent to 2.68 per cent.

In 2008-09 the share of Mumbai Airport was 56.15 per cent, Delhi Airport 3.83 per cent, Bangalore Airport 7.31 per cent, Cochin Airport 9.72 per cent, Trivandrum Airport 7.93 per cent and it remains at 30.93 per cent, 27.99 per cent, 10.69 per cent, 8.70 per cent, and 2.68 per cent respectively in 2017-18. It is found that agriculture products exported from Mumbai Airport is more than other Airports during the study period. Exporters of agriculture products utilises Centre for Perishable Cargo (CPC) located in the Mumbai Airport.

#### DIFFERENCE AMONG THE AIRPORT WISE AGRICULTURE EXPORTS FROM INDIA

In order to examine the Difference among the Airport-wise agriculture exports from India, the Analysis of Variance (ANOVA) test has been applied and the results are given in table 8

**Table-8: Difference among the Airport-wise Agriculture Exports from India**

| Source of Variation | SS       | df | MS       | F     | P-value  | F crit |
|---------------------|----------|----|----------|-------|----------|--------|
| Between Groups      | 68786.28 | 5  | 13757.26 | 12.77 | 3.32E-08 | 2.38   |
| Within Groups       | 58166.61 | 54 | 1077.16  |       |          |        |
| Total               | 126952.9 | 59 |          |       |          |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $12.77 > 2.38$ ). Therefore the null hypothesis, there is no significant difference among the Airport-wise agriculture exports from India is rejected. The alternative hypothesis, there is a significant difference among the Airport-wise agriculture exports from India is accepted.

#### RAIL/ROAD-WISE AGRICULTURE EXPORT FROM INDIA

Export of agriculture products Rail/Road-wise is analysed and results are given table 9.

The researcher has analysed export of agriculture products through Hili (west) road/ railway, Petrapole land road/ railway, Nepalganj road/ railway, Kotwaligate (mohedipur) road/ railway, Attariroad, Amritsar road/ railway and other road/ railways in India, for the period 2008-09 to 2017-18. These railway routes are used for export of agriculture products in India.

**Table-9: Rail/Road-wise Agriculture export from India**

US \$ Millions

| Year    | Hili (west) road/ railway | Petrapole land road/ railway | Nepalganj road/ railway | Kotwaligate (mohedipur) road/ railway | Attariroad, Amritsar road/ railway | Others         | Total           |
|---------|---------------------------|------------------------------|-------------------------|---------------------------------------|------------------------------------|----------------|-----------------|
| 2008-09 | 33.97<br>12.53            | 31.76<br>11.72               | 1.72<br>0.63            | 92.45<br>34.11                        | 72.81<br>26.86                     | 38.34<br>14.14 | 271.05<br>(100) |

|          |                 |                 |                |                 |                 |                 |                 |
|----------|-----------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| 2009-10  | 65.33<br>21.99  | 19.15<br>6.44   | 4.28<br>1.44   | 130.76<br>44.00 | 44.54<br>14.99  | 33.09<br>11.14  | 297.15<br>(100) |
| 2010-11  | 68.79<br>16.39  | 11.42<br>2.72   | 11.17<br>2.66  | 148.83<br>35.46 | 11.56<br>2.75   | 167.97<br>40.02 | 419.74<br>(100) |
| 2011-12  | 34.47<br>8.62   | 76.63<br>19.15  | 9<br>2.25      | 144.11<br>36.02 | 86.31<br>21.57  | 49.57<br>12.39  | 400.09<br>(100) |
| 2012-13  | 137.5<br>26.17  | 101.12<br>19.25 | 6.21<br>1.18   | 135.57<br>25.80 | 87.14<br>16.59  | 57.83<br>11.01  | 525.37<br>(100) |
| 2013-14  | 244.34<br>30.14 | 128.54<br>15.86 | 11.35<br>1.40  | 188.07<br>23.20 | 147.87<br>18.24 | 90.44<br>11.16  | 810.61<br>(100) |
| 2014-15  | 188.15<br>23.20 | 186.81<br>23.03 | 25.89<br>3.19  | 157.22<br>19.39 | 116.99<br>14.43 | 135.95<br>16.76 | 811.01<br>(100) |
| 2015-16  | 146.93<br>23.17 | 135.53<br>21.38 | 41.95<br>6.62  | 117.41<br>18.52 | 40.11<br>6.33   | 152.09<br>23.99 | 634.02<br>100   |
| 2016-17  | 72.83<br>15.05  | 98.38<br>20.33  | 67.69<br>13.99 | 43.95<br>9.08   | 55.68<br>11.51  | 145.34<br>30.04 | 483.87<br>(100) |
| 2017-18  | 326.72<br>38.52 | 241.62<br>28.49 | 77.23<br>9.11  | 41.25<br>4.86   | 0.88<br>0.10    | 160.42<br>18.91 | 848.12<br>(100) |
| Mean     | 131.90          | 103.10          | 25.65          | 119.96          | 66.39           | 103.10          | 550.10          |
| S.D      | 97.19           | 73.91           | 27.47          | 47.77           | 45.52           | 54.70           | 215.55          |
| C.V      | 0.74            | 0.72            | 1.07           | 0.40            | 0.69            | 0.53            | 0.39            |
| CAGR (%) | 25.40           | 22.50           | 46.29          | -7.75           | -35.70          | 15.39           | 12.08           |

Source: APEDA

Table 9 reveals that total export of agriculture products through Rail/Road was US \$ 271.05 million in 2008-09 and it has increased to US \$ 848.12 million in 2017-18 showing the percentage increase of 213 per cent. The share of Hili (west) road/ railway is increased from 12.53 per cent to 38.52 per cent, Petrapole land road/ railway increased from 11.72 per cent to 28.49 per cent, Nepalganj road/ railway increased from 0.63 per cent to 9.11 per cent, Kotwaligate (mohedipur) road/ railway reduced from 34.11 per cent to 4.86 per cent and Attariroad, Amritsar road/ railway reduced from 26.86 per cent to 0.10 per cent.

In 2008-09 the share of Hili (west) road/ railway was 12.53 per cent, Petrapole land road/ railway 11.72 per cent, Nepalganj road/ railway 0.63 per cent, Kotwaligate (mohedipur) road/ railway 34.11 per cent, Attariroad, Amritsar road/ railway 26.86 per cent and it remains at 38.52 per cent, 28.49 per cent, 9.11 per cent, 4.86 per cent, and 0.10 per cent respectively in 2017-18. It is found that agriculture products exported from Hili (west) road/ railway is more than other Road/ Railway during the study period.

#### DIFFERENCE AMONG THE ROAD/RAILWAY-WISE AGRICULTURE EXPORT FROM INDIA

In order to examine the Difference among the Road/Railway-wise Agriculture export from India the Analysis of Variance (ANOVA) test has been applied and the results are given in table 10.

**Table-10: Difference among the Road/Railway-wise Agriculture export from India**

| Source of Variation | SS        | df | MS       | F    | P-value | F crit |
|---------------------|-----------|----|----------|------|---------|--------|
| Between Groups      | 76783.216 | 5  | 15356.64 | 4.00 | 0.00    | 2.38   |
| Within Groups       | 207077.25 | 54 | 3834.764 |      |         |        |
| Total               | 283860.47 | 59 |          |      |         |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $4 > 2.58$ ). Therefore the null hypothesis, there is no significant difference among the Road/Railway-wise Agriculture export from India is rejected. The alternative hypothesis, there is a significant difference among the Road/Railway-wise Agriculture export from India is accepted.

#### SPECIAL ECONOMIC ZONE-WISE AGRICULTURE EXPORT FROM INDIA

Export of agriculture products Special Economic Zone -wise analysed and results are given table 11. The researcher has analysed export of agriculture products through SEZ Cochin, Hazira port, Surat SEZ, Arshiya SEZ, Raigad, SEZ Kandla, EPZ/SEZ Surat and other SEZs in India, for the period 2008-09 to 2017-18.

**Table-11: Special Economic Zone-wise Agriculture Export from India**  
US \$ Millions

| Year    | SEZ<br>Cochin  | Hazira<br>port,<br>Surat<br>SEZ | Arshiya<br>SEZ,<br>raigad | SEZ<br>kandla  | EPZ/SEZ<br>Surat | Others         | Total           |
|---------|----------------|---------------------------------|---------------------------|----------------|------------------|----------------|-----------------|
| 2008-09 | 5.91<br>41.65  | 0<br>0                          | 0<br>0                    | 5.17<br>36.43  | 0<br>0           | 3.11<br>21.92  | 14.19<br>(100)  |
| 2009-10 | 5.52<br>34.96  | 0<br>0                          | 0<br>0                    | 7.55<br>47.82  | 0<br>0           | 2.72<br>17.23  | 15.79<br>(100)  |
| 2010-11 | 10.27<br>52.21 | 0<br>0                          | 0<br>0                    | 6.87<br>34.93  | 0<br>0           | 2.53<br>12.86  | 19.67<br>(100)  |
| 2011-12 | 16.63<br>57.74 | 0<br>0                          | 0<br>0                    | 7.44<br>25.83  | 0<br>0           | 4.73<br>16.42  | 28.8<br>(100)   |
| 2012-13 | 29.82<br>67.85 | 0<br>0                          | 1.7<br>3.87               | 8<br>18.20     | 0<br>0           | 4.43<br>10.08  | 43.95<br>(100)  |
| 2013-14 | 33.82<br>57.73 | 3.14<br>5.36                    | 1.03<br>1.76              | 9.13<br>15.59  | 5.5<br>9.39      | 5.56<br>9.49   | 58.58<br>(100)  |
| 2014-15 | 29.12<br>36.04 | 20.16<br>24.95                  | 0.44<br>0.54              | 11.33<br>14.02 | 8.11<br>10.04    | 11.63<br>14.40 | 80.79<br>(100)  |
| 2015-16 | 26.43<br>25.08 | 29.57<br>28.06                  | 10.74<br>10.19            | 17.62<br>16.72 | 6.93<br>6.58     | 13.79<br>13.09 | 105.38<br>(100) |
| 2016-17 | 37.44<br>27.46 | 34.16<br>25.05                  | 19.71<br>14.45            | 16.4<br>12.03  | 6.96<br>5.10     | 21.59<br>15.83 | 136.36<br>(100) |
| 2017-18 | 47.76<br>32.74 | 36.63<br>25.11                  | 27.57<br>18.90            | 17.82<br>12.22 | 7.96<br>5.46     | 8.03<br>5.50   | 145.87<br>(100) |
| Mean    | 24.27          | 24.01                           | 10.2                      | 10.73          | 7.09             | 7.81           | 64.94           |
| S.D     | 14.21          | 13.52                           | 11.35                     | 4.8            | 1.04             | 5.85           | 47.29           |
| C.V     | 0.59           | 0.54                            | 1.11                      | 0.45           | 0.15             | 0.75           | 0.73            |
| CAGR %  | 23.24          | 59.66                           | 59.1                      | 13.17          | 7.67             | 9.95           | 26.24           |

Source: APEDA

Table 10 reveals that total export of agriculture products through Special Economic Zone was US \$ 14.19 million in 2008-09 and it has increased to US \$ 145.87 million in 2017-18 showing the percentage increase of 928 per cent. The share of SEZ Cochin is reduced from 41.65 per cent to 32.74 per cent, Hazira port, Surat SEZ increased from 5.36 per cent to 25.11 per cent, Arshiya SEZ, Raigad increased from 3.87 per cent to 18.90 per cent, SEZ Kandla reduced from 36.43 per cent to 12.22 per cent and EPZ/SEZ Surat reduced from 9.39 per cent to 5.46 per cent.

In 2008-09 the share of SEZ Cochin was 41.65 per cent, Hazira port, Surat SEZ 5.36 per cent, Arshiya SEZ, raigad 3.87 per cent, SEZ kandla 36.43 per cent, EPZ/SEZ Surat 9.39 per cent and it remains at 32.74 per cent, 25.11 per cent, 18.90 per cent, 12.22 per cent, and 5.46 per cent respectively in 2017-18. It is found that agriculture products exported from SEZ Cochin is more than other Special Economic Zone during the study period.

#### DIFFERENCE AMONG THE SPECIAL ECONOMIC ZONE-WISE AGRICULTURE EXPORTS IN INDIA

In order to examine the difference among the Special Economic Zone-wise Agriculture exports in India, the Analysis of Variance (ANOVA) has been applied and the results are given in table 12

**Table-12: Difference among the Special Economic Zone-wise Agriculture exports in India**

| Source of Variation | SS       | df | MS       | F    | P-value  | F crit |
|---------------------|----------|----|----------|------|----------|--------|
| Between Groups      | 2676.989 | 5  | 535.3977 | 5.09 | 0.000673 | 2.38   |
| Within Groups       | 5673.859 | 54 | 105.0715 |      |          |        |
| Total               | 8350.847 | 59 |          |      |          |        |

Source: Computed

The null hypothesis is rejected. F value is more than the F critical value ( $5.09 > 2.38$ ). Therefore the null hypothesis, there is no significant Difference among the Special Economic Zone-wise Agriculture exports in

India is rejected. The alternative hypothesis, there is a significant difference among the Special Economic Zone-wise Agriculture exports in India is accepted.

### **CONCLUSION**

The percentage of export through sea route is getting down during the study period, from 73.83 per cent to 55.79 per cent, whereas the share of export through inland container depot is under increasing trend from 20.18 per cent to 36.05 per cent during the study period.

Agriculture products exported from Nhavasheva port is more than the other ports and agriculture products exported from ICD Jodhpur is more than other ports during the study period.

It is inferred that agriculture products exported from Mumbai Airport is more than other Airports and agriculture products exported from Hili (west) road/ railway is more than other Road/ Railway and agriculture products exported from SEZ Cochin is more than other Special Economic Zone during the study period.

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**CONSUMER PERCEPTIONS TOWARDS ORGANIC FOOD PRODUCTS**

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**ABSTRACT**

*In the current generation the people tend to purchase more organic foods but the production seems ineffective. In order to fulfill the demand of the buyers, sellers get into the illegal way of selling the organic foods. The buyers who use the illegal organic foods are affected and they are not willing to buy further. From this we may understand that there should be a regulatory body which controls, examines and supervises the sale of organic foods in India like we say FSSAI which could inspect the product before it goes to the hands of buyers. There should be worth buying in organic food products, therefore the perception of the consumer or buyer increases. Thus this paper examines the perception of consumers towards the organic foods in Virudhunagar district of Tamilnadu.*

*Keywords: Origin, Characteristics of organic food products, consumer's awareness, perception, and satisfaction for organic food products.*

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**INTRODUCTION**

Organic foods are being prepared so as to comply with the standards of organic farming. Plant growth is attained by using cow dung, goat dung and other organic manures to produce high yield. Animals which are raised organically are not given antibiotics or hormones. Standards may differ worldwide, but the practices of organic farming that strive to cycle resources, support environmental balance, and makes away from deterioration of biodiversity. Organizations that are selling and promoting the organic products may control the use of non macrobiotic pesticides and fertilizers in the process of cultivating the organic food products. Organic farming is considered to be socialistic pattern of production that creates agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity is hence its important.

Natural vegetables are one of the most seasoned perceived and are accessible overall natural items and in some center gatherings are the principle item class that buyers connect with natural. In the meantime, a few respondents make reference to the medical advantages of eating five bits of foods grown from the ground multi day, featuring the for the most part solid relationship among products of the soil and a sound eating regimen. Combined with the observation that plant generation is described by high force and substantial utilization of agro synthetic substances, it is obvious that leafy foods have been a noteworthy focal point of consideration concerning natural nourishment and the accessible range constant to develop. For some purchasers these are the sole or real focal point of their "natural experience" and they have surely been portrayed as a "key section point" for most natural customers, who thusly may precede onward to different classes, for example, eggs and dairy, basic supply items, meat and soda pops.

**ORIGIN OF ORGANIC FOOD PRODUCTS**

The most essential explanation behind obtaining natural sustenance is by all accounts convictions about the items' well being giving properties and higher dietary benefit. These convictions are advanced by the natural nourishment industry, and have energized expanded interest for natural sustenance notwithstanding higher costs and trouble in affirming these guaranteed advantages deductively. Natural marks likewise invigorate the buyer to see the item as having more positive dietary benefit. Early shoppers inspired by natural sustenance would search for non-artificially treated, non-utilization of unapproved pesticides, new or negligibly prepared nourishment. They for the most part needed to purchase straightforwardly from cultivators. Afterward, "Know your agriculturist, know your sustenance" turned into the witticism of another activity founded by the USDA in September 2009. Individual meanings of what comprised "natural" were created through firsthand experience: by conversing with ranchers, seeing homestead conditions, and cultivating exercises. Little homesteads developed vegetables (and raised animals) utilizing natural cultivating rehearses, with or without affirmation, and the individual purchaser observed. Little claim to fame well being sustenance stores and co-agents were instrumental to conveying natural nourishment to a more extensive gathering of people. As interest for natural sustenance kept on expanding, high volume deals through mass outlets, for example, markets quickly supplanted the immediate rancher association. Today, numerous substantial corporate ranches have a natural division. Be that as it may, for grocery store shoppers, sustenance creation isn't effectively recognizable, and item naming, as "ensured natural," is depended upon. Government controls and outsider examiners are looked to for affirmation.

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**REVIEW OF LITERATURE**

**Edward Shih-Tse Wang and Bi-Kun Tsai (2014)**, in their article entitled “**Consumer response to retail performance of organic food retailers**” concluded it is essential to maintain consumers through reduction of risk and trust-building marketing strategies. Organic retailers can manipulate organic food customers through right appeals in marketing communications to persuade positive perceptions about the price.

**Marija Radman (2005)**, in their study entitled “**Consumer consumption and perception of organic products in Croatia**” concluded that, increasing the knowledge of consumers about the organic food products and in the market differentiation. Organic Food shows in the exhibitions and some educational activities would also help to know about the organic production and foods. These activities should be managed by NGOs and organic producers’ organizations.

**Barbara Seegebarth (2016)**, in their paper entitled “**Customer value perception of organic food: cultural differences and cross-national segments**” concluded that consequence of the increasing importance of organic products, a deeper understanding are the important factors of consumers’ organic food perception and consumption pattern is great challenge for practitioners and researchers in the field of food marketing.

**Manoranjan Dash, Alaka Samantaray, Madhusmita Dash (2014)**, in their article entitled “**Consumer’s Perception towards Organic Food Products**” stated that increasing awareness has brought some changes in consumers’ tastes and preferences which have led to the inbound as well as worldwide rise in demand for organic food products. The level of Awareness and knowledge has become an essential factor in changing the attitude of consumers towards organic foods.

**Tony Wijaya (2012)**, in their study entitled “**Intentions of Indonesian Consumers on Buying Organic Food**”, pinpointed that healthy intake life style are a good foresee for attitude towards the organic food, where as attitude towards organic food directly stimulate to buy the organic food products.

**Farah Ayuni Shafiea, Denise Rennie (2009)** in their article entitled “**Consumer Perceptions towards Organic Food**” identified that certain factors such as nutrition, taste, novelty and appearance add the perception towards the organic foods. Natural process also induces the consumer with care for the atmosphere and animal welfare and for the non-use of pesticides and fertilizers.

**RESEARCH METHODOLOGY**

The soundness of research depends mainly on the efficient method of gathering the data and analyzing the same in suitable order. The researcher has used descriptive research design in this study. In the current study both the secondary and primary data were collected and analyzed, for measuring consumer perception towards the usage of organic food products.

Researcher has analyzed various articles, Annual Reports of reports and professional information concerning green consumer studies and green marketing strategies in general through internet and academic databases and then a questionnaire was prepared for gathering the primary source of data.

**PRIMARY DATA**

Primary data has been collected through statistical sampling survey directly from the consumers of organic food products in Virudhunagar District. Questionnaire specially designed only for the purpose of data collection.

**SECONDARY DATA**

The secondary data is an integral part of any research study as it provides basic information on key variables, which form the major part of data relating to research. The secondary data have been gathered from various sources like standard text books of related topics, journals, newspapers, and websites and so on.

**STATEMENT OF THE PROBLEM**

The study is conducted to know the perception of consumers towards the organic products which has natural fertilizers input to get more yield of the products today the world requires new discussion and innovation which are leads to the potential buyers’ usage on organic products. Consumers started buying and utilizing for their regular consumption the researcher shows interest on the positive impact to the society thus this particular study has been carried out.

**OBJECTIVES OF THE STUDY**

- a) To study the consumers awareness towards the organic food products.
- b) To examine the customer perception towards buying the organic food products.
- c) To analyze the consumers’ satisfaction for organic products.

**CHARACTERISTICS OF ORGANIC FOODS**

Some of the few characteristics of organic foods include,

**1. Consisting fewer pesticides**

Chemicals such as fungicides, herbicides, and insecticides are widely used in conventional agriculture and residues remain on (and in) the food we eat.

**2. Grown by Nature**

Organic foods are grown naturally using the seeds and cultivated in genuine manner.

**3. Un Packaged products**

Organic foods are unpacked and are sold to consumers to prove their quality.

**4. Organic food is better for the environment.**

Natural cultivating rehearses decrease contamination, moderate water, diminish soil disintegration, increment soil ripeness, and utilize less vitality. Cultivating without pesticides is likewise better for close-by winged animals and creatures and also individuals who live near ranches.

**5. Trust in product certification**

Natural sustenance item was exceedingly trust in item accreditation on nearby items. No bundled merchandise and there is no compound including the products are utilized for the client in the time completely ensure the well being.

**6. Accessibility of the Organic Foods**

These days natural nourishment's are being empowered and it has been a propensity for purchasing. So now the natural items and nourishment's are accessible over the outlets and its generation has been expanded. Consequently, it is effectively accessible to the shoppers.

**REASON FOR CONSUMING ORGANIC FOOD PRODUCTS**

There may be one or more intention for trade whole products. But the actual fact is that it is more nutritious and eco-friendly. Consumers generally make their preference after considering product information, product attributes and evaluating the consequences of using a product. Consumers consider health as an important factor when they buy a product. Sometimes consumers prefer organic food due to their demographic uniqueness. Households with graduates were less likely to buy organic produce, while households with children under 18 were more likely to buy organic produce.

**SAMPLING AND DATA COLLECTION**

With reference to the objectives of the study, Secondary and Primary data collection techniques were implemented. Primary data was collected with the use of structured questionnaire.

**Table-1: Demographic profile of the respondents (100 consumers)**

| Particulars               | Categories     | Number of respondents | Percentage |
|---------------------------|----------------|-----------------------|------------|
| Age                       | Below 18       | 27                    | 27%        |
|                           | 19-25          | 18                    | 18%        |
|                           | 26-35          | 20                    | 20%        |
|                           | 35-50          | 22                    | 22%        |
|                           | Above 50       | 13                    | 13%        |
|                           | Total          | 100                   | 100        |
| Gender                    | Male           | 53                    | 53%        |
|                           | Female         | 40                    | 40%        |
|                           | Transgender    | 7                     | 7%         |
|                           | Total          | 100                   | 100        |
| Marital status            | Married        | 47                    | 47%        |
|                           | Unmarried      | 53                    | 53%        |
|                           | Total          | 100                   | 100        |
| Educational Qualification | HSC            | 25                    | 25%        |
|                           | Under Graduate | 33                    | 33%        |
|                           | Post Graduate  | 29                    | 29%        |
|                           | Others         | 13                    | 13%        |
|                           | Total          | 100%                  | 100        |
| Occupation                | Employee       | 68                    | 68%        |

|                                      |                    |     |     |
|--------------------------------------|--------------------|-----|-----|
|                                      | Unemployed         | 32  | 32% |
|                                      | Total              | 100 | 100 |
| Monthly Income of family (In rupees) | Below 20,000       | 31  | 31% |
|                                      | 20,000-30,000      | 37  | 37% |
|                                      | 30,000-40,000      | 22  | 22% |
|                                      | Above 40,000       | 10  | 10% |
|                                      | Total              | 100 | 100 |
| Family Type                          | Nuclear            | 55  | 55% |
|                                      | Joint              | 45  | 45% |
|                                      | Total              | 100 | 100 |
| Residential area of the respondents  | Urban              | 31  | 31% |
|                                      | Semi urban         | 27  | 27% |
|                                      | Rural              | 42  | 42% |
|                                      | Total              | 100 | 100 |
| No. of family members                | Below three member | 39  | 39% |
|                                      | Four member        | 41  | 41% |
|                                      | Above Four Member  | 20  | 20% |
|                                      | Total              | 100 | 100 |

Source: Primary data

**INTERPRETATION**

From this examination specialist utilized rate investigation technique to distinguish the respondents utilizing natural sustenance and its mindfulness. We came to realize that, most of the respondents utilizing the natural sustenance are beneath the age of 18 (27%) and minimal number of respondents are having a place with the age gathering of over 50 (13%).

Larger piece of the respondents utilizing the natural nourishment are male (53%) and minimal number of respondents are transgender (7%).

Larger parts of the respondents are under the class of unmarried status (53%) and minimal numbers of respondents are hitched (47%).

Best parts of the respondents' instruction are at the Under Graduate (53%) and minimal numbers of respondents are other classification (7%).

For the most part the respondents are under the class of occupation as representative (68%) and minimal number of respondents are jobless (32%).

Prevalence of the respondents is in the salary dimension of Rs 20,001 to Rs 30,000 (37%) and minimal numbers of respondents are above Rs 40,000 (10%).

The greater part of the respondents' family type is family unit (55%) and just 45 % of the respondents are of joint family.

Greater part of the respondents is living in country territories (42%) and minimal numbers of respondents are living in semi – urban regions (27%).

Well known of the respondents are having just 4 individuals (41%) and minimal number of respondents are in excess of 4 individuals (20%).

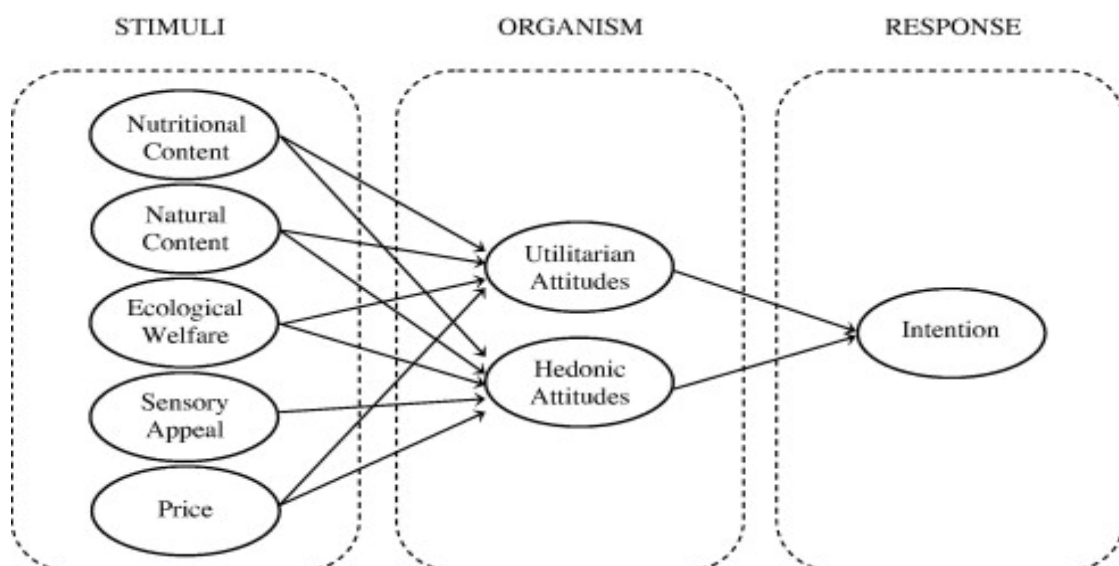
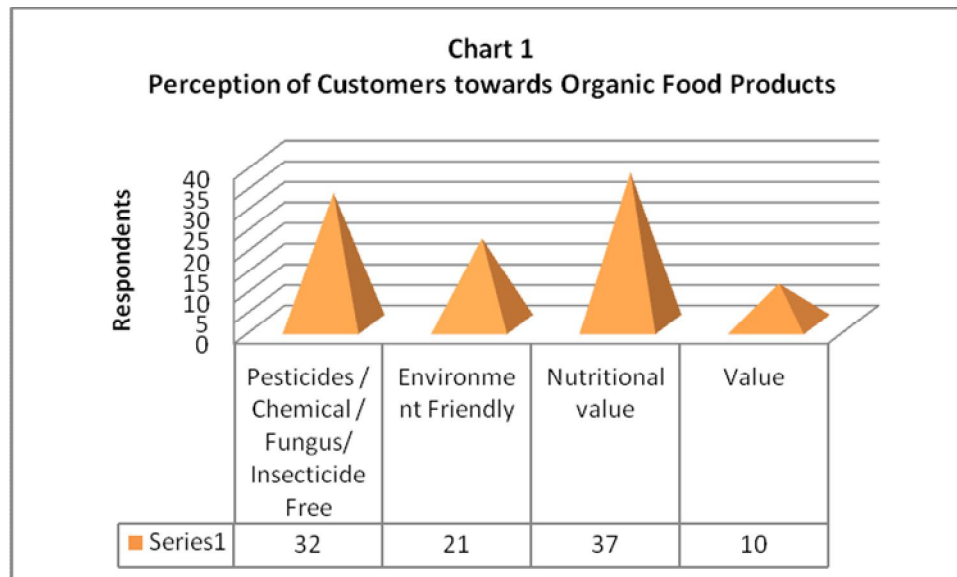
Henceforth greater parts of the respondents are utilizing the natural nourishment and they are having admirably mindfulness about it. Statistic factors, for example, age, pay and training may characterize natural purchasers however the relationship isn't exceptionally huge. Premium value keeps on keeping down natural sustenance utilization. It is confounded to legitimize the premium since medical advantages stated to natural nourishment are frequently hard to measure.

**PERCEPTION OF CUSTOMERS ABOUT ORGANIC FOOD PRODUCTS****Table-2: Perception of Customers towards Organic Food Products**

| Factors  | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Pesticides / Chemical / Fungus/ Insecticide Free | 32        | 32.0    | 32.0          | 32.0               |
| Environment Friendly                             | 21        | 21.0    | 21.0          | 53.0               |
| Nutritional value                                | 37        | 37.0    | 37.0          | 90.0               |

|       |     |       |       |       |
|-------|-----|-------|-------|-------|
| Value | 10  | 10.0  | 10.0  | 100.0 |
|       | 100 | 100.0 | 100.0 |       |

Source: Primary Data



## INTERPRETATION

From the above Table 2, we may understand that 32% respondents have given the opinion organic food are Pesticides / Chemical / Fungus/ Insecticide Free, Environment friendly (21%) , Nutritional value (37%) and value (10%). So from this we can say that consumers are having better perception about organic food products.

## LEVEL OF CUSTOMER SATISFACTION

**TABLE-3: LEVEL OF CUSTOMER SATISFACTION ON ORGANIC PRODUCTS**

| Monthly Income            | SATISFACTION LEVEL OF ORGANIC PRODUCTS |           |         |              |                     |       |
|---------------------------|--|-----------|---------|--------------|---------------------|-------|
|                           | Highly Satisfied                       | Satisfied | Neutral | Dissatisfied | Highly dissatisfied | Total |
| <b>Below Rs.20000</b>     | 13                                     | 11        | 4       | 2            | 1                   | 31    |
| <b>Rs.20001 – 30,000</b>  | 14                                     | 15        | 5       | 5            | 2                   | 37    |
| <b>Rs. 30001 – 40,000</b> | 7                                      | 3         | 1       | 4            | 3                   | 22    |
| <b>Rs Above 40,000</b>    | 2                                      | 1         | 4       | 2            | 1                   | 10    |
| <b>Total</b>              | 36                                     | 30        | 14      | 13           | 7                   | 100   |

Source: Primary Data

From the above Table 3, the researcher has collected the primary source of data from the Virudhunagar District of Tamilnadu. It is inferred that the consumers whose income level is from Rs.20,001 to 30,000 are highly

satisfied and having 14%, with the same income level are much satisfied with the organic food products 15%. The consumers having the income level between Rs. 20,001 – 30,000 are highest in neutral also. Consumers are in between the income category of Rs.20, 001 – 30,000 are in the highest level. Only 5% of overall populations are highly dissatisfied with the organic food products.

### **FINDINGS & CONCLUSION**

From this investigation we can arrive at the resolution that, through this paper the specialist has examined the accompanying healthful substance and alternate fixings increase the value of the natural sustenance items.

Cost is a likewise essential factor which deciding the purchasing conduct of a natural nourishment items focus on the purchaser underneath the age of 18 and the general population who are unmarried. The natural nourishment items should be abundantly institutionalized, on the grounds that the general population who are devouring they are less taught. The cost of the natural sustenance items ought to be ideal why in light of the fact that the pay level shoppers are between Rs 20,001 to 30,000. The natural sustenance items ought to be circulated in more elevated amount in the rustic territories and more number of outlets should be sorted out.

Thus we make closed the natural sustenance items are better for prosperity for the general public. It is thinking about that the soundness of the assent by delivering the natural nourishment items. The shopper with high mindfulness a natural sustenance items have an uplifting state of mind.

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## PROBLEMS AND PROSPECTS OF FOREIGN DIRECT INVESTMENT IN INDIA

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## ABSTRACT

*Capital is considered to be the life blood of business. Entities can access capital from Multinational companies situated in a foreign country. Foreign capital can be either direct investment or portfolio investment. Foreign Direct Investment consists of mergers and acquisition, establishment of new facilities or plant in a foreign country. More than capital investors making direct investment are interested in acquiring control of the business activities. Besides foreign entities transfer their technology to the host country. This paper discusses the problems and prospects of Foreign Direct Investment, trends and patterns of FDI and the inflow of foreign investment in India.*

*Keywords: Foreign Direct Investment, Inflow, Major sectors, Problems, Prospects, Trend*

## INTRODUCTION

Foreign Direct Investment is an investment which is made by an individual or by a foreign company to a company which is located in another country. More than capital investors making direct investment are interested in acquiring control of the business activities. The investors of foreign companies transfer their latest technology to the host country. Foreign Direct Investment can be a horizontal type, vertical type or conglomerate type. In case of Horizontal foreign direct investment investor will invest in the same kind of business activities or establish same kind of business activities abroad. In case of a vertical direct investment a foreign company invests not in the same kind of business activities but in related business activities. In case of a conglomerate investment a foreign company makes investment in unrelated business activities which is totally new to them.

## OBJECTIVES OF THE STUDY

1. To study the problems and prospects of Foreign Direct Investment.
2. To study the trends and patterns of FDI over the past years.
3. To study the inflow of foreign investment in India.

## REVIEW OF LITERATURE

**Patra, S. (2019)** conducted a study to analyze the causality and linkage among urbanization, GDP and foreign direct investment in China and India with the help of secondary data from 1979 to 2012. The study emphasised on determinants and pattern of FDI flow in China and India. The study concluded that there is a significant positive correlation between urbanization and flow of FDI to a particular region both in China and India. The study also focused the causality and linkage between urbanization and FDI inflow with evidences from China and India.

**Pradhan, J. P. (2017)** conducted a study to evaluate the origin and growth of outward foreign direct investment by emerging Indian and Chinese multinationals. The researcher observed the locational determinants of such investments. Both Chinese and Indian OFDI flows were observed to have surged after the adoption of economic openness policies by the home country.

## RESEARCH METHEDODOLOGY

- Research Design: Descriptive & Analytical
- Data Sources: Articles, Books, Published Reports, Website.

## Who can access FDI?

| Type             | Condition   |
|------------------|---|
| Indian Company   | Indian Companies can raise capital by the mode of accessing FDI.  |
| Partnership Firm | <p><b>On non repatriation basis:</b> An NRI or PIO can invest in any proprietary firm other than firms dealing with agriculture, real estate and print media sector.</p> <p>Prior approval is needed from RBI for investing in firms on repatriation basis.</p> <p>Any residents other than NRI or POI can invest in firm with prior approval of RBI.</p> |

|                    |  |
|--------------------|--|
| Trusts             | FDI is not allowed in Trusts other than in 'VCF' registered and regulated by SEBI and 'Investment vehicle'.  |
| LLPs               | LLPs can access FDI under automatic route in those sectors where FDI is permitted at 100%.   |
| Investment vehicle | Investment vehicles that are regulated by SEBI can access foreign investment from a person resident outside India including Registered Foreign Portfolio Investor. |
| Start-up Companies | As per the FEMA regulation starts ups can offer Equity linked instruments or debt instruments to FVCI for receiving foreign capital.                               |
| Other entities.    | FDI in resident entities other than those mentioned above is not permitted.  |

(Source: Consolidated FDI policy circular of 2017, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India)

## STATISTICS OF FDI

**Table No-1: Financial Year Wise FDI Inflows in India**

| Year                    | FDI Inflows<br>(In US \$ Million) |
|-------------------------|-----------------------------------|
| 2000-01                 | 4,029                             |
| 2001-02                 | 6,130                             |
| 2002-03                 | 5,035                             |
| 2003-04                 | 4,322                             |
| 2004-05                 | 6,051                             |
| 2005-06                 | 8,961                             |
| 2006-07                 | 22,826                            |
| 2007-08                 | 34,843                            |
| 2008-09                 | 41,873                            |
| 2009-10                 | 37,745                            |
| 2010-11                 | 34,847                            |
| 2011-12                 | 46,556                            |
| 2012-13                 | 34,298                            |
| 2013-14                 | 36,046                            |
| 2014-15                 | 45,148                            |
| 2015-16                 | 55,559                            |
| 2016-17                 | 60,082                            |
| 2017-18( Upto Dec 2017) | 48,201                            |
| Total FDI Inflows       | 532,552                           |

(Source: FDI Statistics, Department of Industrial Policy and promotion, Ministry of Commerce and Industry, Government of India, <http://dipp.nic.in/publications/fdi-statistics> )

**Table No-2: Top Twenty Country-Wise FDI Equity Inflows from April 2000 to December 2017**

| Sl No | Name Of The Country | FDI Inflows<br>(In Rs Crores) | Percentage Inflows |
|-------|---------------------|-------------------------------|--------------------|
| 1     | Mauritius           | 671,733.79                    | 33.97              |
| 2     | Singapore           | 374,434.38                    | 17.34              |
| 3     | Japan               | 150,399.40                    | 7.32               |
| 4     | UK                  | 130,198.81                    | 6.88               |
| 5     | Netherlands         | 132,529.46                    | 6.27               |



|    |                  |            |      |
|----|------------------|------------|------|
| 6  | USA              | 121,773.91 | 6.00 |
| 7  | Germany          | 58,566.93  | 2.91 |
| 8  | Cyprus           | 48,872.11  | 2.58 |
| 9  | France           | 33,584.90  | 1.68 |
| 10 | UAE              | 30,242.97  | 1.45 |
| 11 | Switzerland      | 22,446.48  | 1.13 |
| 12 | Hongkong         | 17,647.16  | 0.83 |
| 13 | Spain            | 14,061.82  | 0.70 |
| 14 | Cayman Islands   | 14,688.56  | 0.70 |
| 15 | Italy            | 14,238.21  | 0.70 |
| 16 | South Korea      | 14,427.20  | 0.70 |
| 17 | Luxembourg       | 14,809.41  | 0.66 |
| 18 | China            | 11,003.20  | 0.48 |
| 19 | Sweden           | 7,472.92   | 0.39 |
| 20 | British Virginia | 7,443.31   | 0.37 |

(Source: FDI Statistics, Department of Industrial Policy and promotion, Ministry of Commerce and Industry, Government of India, <http://dipp.nic.in/publications/fdi-statistics> )

### PROBLEMS OF FDI

- **Reduction in Domestic Investment and Domestic Development**

Investors who are engaged in foreign investment totally concentrate on investment opportunities that are available in the foreign market. It adversely affects the development of the home country

- **Negative effect on host country**

Attracting foreign capital can have a significant impact to the host country in terms of losing the control to the domestic investors.

- **Increased Cost**

From the investors point of view Foreign Direct Investment is much costlier than export of goods and services.

- **Monopolistic effect**

Companies investing capital to the host country will emerge as gigantic organisations and effects the competition in market.

- **Reduction in national power**

It is observed that assigning too much power for a foreign MNC will create sovereignty problems in the host country.

### PROSPECTS OF FDI

- **Generation of employment opportunities**

Establishment of firms and production wings in the host market helps in creation of new employment opportunities.

- **Efficient management**

As part of foreign capital companies gain management expertise from the foreign countries which will help to improved their productivity.

- **Inflow of money from export of goods**

Multinational companies operate in more than two countries. The exporting of goods and services to other countries helps in increasing the inflow of capital.

- **Transfer of technology from home country to host country**

Foreign companies possess latest technology. Transfer of such technology to the cost country helps in producing goods in a cost effective way.

**Table No-3: Top Twenty Sector –Wise FDI Inflows from April 2000 To December 2017**

| SL No | NAME OF THE SECTOR  | FDI INFLOWS<br>(In Rs Crores) | Percentage<br>inflows |
|-------|---|-------------------------------|-----------------------|
| 1     | Services Sector   | 346,387.14                    | 17.42                 |
| 2     | Telecommunications  | 169,427.61                    | 8.18                  |
| 3     | Computer Software & Hardware  | 170,034.91                    | 8.11                  |
| 4     | Construction Development: Townships, Housing, Built-Up Infrastructure And Construction-Development Projects | 117,092.19                    | 6.71                  |
| 5     | Automobile Industry   | 103,420.86                    | 5.00                  |
| 6     | Trading   | 99,206.83                     | 4.48                  |
| 7     | Drugs & Pharmaceuticals   | 81,481.55                     | 4.24                  |
| 8     | Chemicals (Other Than Fertilizers)  | 76,278.87                     | 3.92                  |
| 9     | Power   | 68,998.78                     | 3.52                  |
| 10    | Construction (Infrastructure) Activities  | 76,719.84                     | 3.36                  |
| 11    | Hotel & Tourism   | 60,700.58                     | 2.96                  |
| 12    | Metallurgical Industries  | 54,559.84                     | 2.87                  |
| 13    | Food Processing Industries  | 50,431.98                     | 2.27                  |
| 14    | Information & Broadcasting (Including Print Media)  | 40,215.45                     | 1.92                  |
| 15    | Electrical Equipments   | 39,527.26                     | 1.90                  |
| 16    | Petroleum & Natural Gas   | 34,008.49                     | 1.87                  |
| 17    | Non-Conventional Energy   | 36,445.90                     | 1.70                  |
| 18    | Cement And Gypsum Products  | 29,095.87                     | 1.43                  |
| 19    | Hospital & Diagnostic Centres   | 28,963.60                     | 1.36                  |
| 20    | Industrial Machinery  | 26,383.28                     | 1.28                  |

(Source: FDI Statistics, Department of Industrial Policy and promotion, Ministry of Commerce and Industry, Government of India, <http://dipp.nic.in/publications/fdi-statistics> )

### Prohibited Sectors

|  |
|--|
| • Lottery Business including Government/private lottery, online lotteries, etc.                              |
| • Gambling and Betting including casinos etc.  |
| • Chit funds   |
| • Nidhi company  |
| • Trading in Transferable Development Rights (TDRs)  |
| • Real Estate Business or Construction of Farm Houses  |
| • Manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes         |
| • Activities/sectors not open to private sector investment e.g.(I) Atomic Energy and (II) Railway operations |

(Source: Consolidated FDI policy circular of 2017, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India)

### CONCLUSION

Foreign capital plays a vital role in the economic development of country. India access foreign capital from several countries. The different forms of Foreign Direct Investment include joint venture, participation in managerial activities of a foreign company, technology transfer and provision of expertise from the home country to the host country. Foreign capital plays a vital role in the development of almost all sectors in our country. Further it improves the competitive capacity of the foreign company, supports the infrastructure development and creates numerous employment opportunities in the host country.

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**A CONCEPTUAL STUDY ON GLOBAL MARKET ENTRY STRATEGIES**

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**ABSTRACT**

*Globalisation has become common refrain of discussion and analysis nowadays. Globalisation facilitates the incorporation of the country with world economy. Globalisation facilitates the change of world to larger interdependence and integration. Globalisation enables to turn the world in to one whole or generating a borderless world. Small enterprises enable to have good exposure in the international economy by way of globalisation. The globalisation enables the business firm to have global dimension in the world economy. Global market entry strategies can help the business to do their business operations smoothly. The present study is a conceptual study based on articles, books and websites and the paper discuss the concept of globalisation, global markets, global market entry strategies.*

*Keywords: Globalisation, Global markets, Global market entry strategies.*

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**INTRODUCTION**

Companies usually internationalise due to the attractiveness of the foreign markets. The compulsion of the global markets. The compulsion of the domestic market is also a reason which forces the companies to be global. Globalisation facilitates more profitable in business than domestic business. Global business enables to achieve optimum capacity utilisation and economies of scale. It facilitates to reduce the cost of production. Global market entry strategies facilitate growth potentials of foreign markets. Many developing countries are arriving at global level to develop the economy. Technological advancements can be increased with the strategies of globalisation. Governments give many incentives to domestic companies for the encouragement of foreign trade. Globalization is termed as the growing process of interdependence and reliable amid different political, social and economic workings of the world. It is the way in which the world is realized as the global village. Globalization is the permitted drive of goods, services and people crosswise the world in a continuous and integrated manner. The process by which industries or other administrations develop global inspiration or start functioning on a worldwide scale. Globalisation enables Initial and planning to enlarge business throughout the world. It enables to remove the differences between domestic market and foreign. It facilitates purchasing and vending goods and services from/to any country in the world. It enables global direction in strategies, organization structure, organization culture and managerial know-how. It helps in setting the attention and attitude to understand the whole globe as a single market. It helps to source aspects of production and inputs like raw materials, machinery, finance, technology, human resource, and management skills from the entire world. Production planning and expansion are based on market contemplation of the entire world.

**REVIEW OF LITERATURE**

Mali (1998) The study revealed that in the present scenario of globalisation there is an increasing competition in the field of small and medium enterprises (SMEs) and micro enterprises, the fields of management, marketing, product diversification, infrastructural developments should specifically get improved. The new small and medium enterprises may have to change from slow growth area to high growth areas and should form tactical alliances with business persons of neighbouring areas. Information bank on industries to guide the potential entrepreneurs including stockholders from overseas is also needed.

Subrahmanya (2005) scrutinized inferences of globalization and internal economic liberalization in small-scale industries and examines its growing performance in terms of units, service, output and exports. He determined with policy recommendations to ensure the nourishment and good development of SSIs in India

**OBJECTIVES OF THE STUDY**

- To study the global market entry strategies for globalisation.

**RESEARCH METHODOLOGY**

The present study is a conceptual study based on secondary data which has been taken from various articles, reports, websites and books.

**GLOBAL MARKET ENTRY STRATEGIES**

Global company has to articulate strategies based on its mission, objectives and goals. Strategy formulation is necessary for international companies to take decisions relating to introduction of their products in foreign countries. Strategy formulation is a challenging task in the global market. Environmental analysis is a basis for

strategy formulation. It provides opportunities to the business to produce and sell a particular product. Global markets provide wide range of opportunities compared to domestic markets. Corporates going global would like to increase from apparent benefits and minimise the risk or intimidations to which they are exposed. Companies going global can be both reactive and proactive to the environment. The following are the different strategies adopted by the companies;

- 1) **EXPORTING:** Exporting is a simplest mode for entering foreign markets. It is an alternative when underutilised volume occur in the country and the production cost is significantly lesser than producing the goods in the foreign market. It requires less finance when compared to other modes. The risk is also very less compared to other strategies of global markets. Exporting may be direct or indirect. In direct exporting the producer himself accomplishes global selling activity. In indirect exporting the producer transfers.
- 2) **LICENSING AND FRANCHISING:** In licensing the inland manufacturer leases the right to use its intellectual property i.e. technology, work methods, patents, brand names to a producer in an overseas country for a fee. Here the licensor allows licensee to use its intellectual property by paying fees to the licensor. The cost of entering the global markets through this mode is less costly.

Franchising is a form of licensing in which franchisor grants another franchisee the right to do business in a prescribed manner. Under this the franchisee pays fees to the franchisor. Franchisee has to pay a fixed amount as royalty based on the sales of franchisor.

- 3) **CONTRACT MANUFACTURING:** Some companies outsource their part of or entire production and concentrate on marketing operations. In this a company doing international marketing contracts with firms in foreign countries to manufacture or assemble the product while retaining the responsibility of marketing the product.
- 4) **MANAGEMENT CONTRACTS:** The companies with low level technology and managerial know-how may pursue the aid of a foreign company. Then the foreign company may agree to provide technical assistance and managerial expertise. Under this method the firm providing managerial expertise may not have equity stake in the enterprise being managed.
- 5) **TURNKEY PROJECTS:** A turnkey project is a contract under which a firm agrees to fully design, construct and equip a management business service facility and turn the project over to the purchaser when it is ready for operation for remuneration. It includes nuclear power plant, airports, oil refinery etc.
- 6) **ASSEMBLY OPERATIONS:** The establishment of assembly operations represent a cross between exporting and manufacturing abroad. In this method product meant for foreign market is assembled in the foreign market itself. Sometimes the products which are meant to be marketed domestically assembled abroad.
- 7) **JOINT VENTURES:** It is a very common method of entering the foreign market. It is any form of association which implies collaboration for more than a transitory period. Joint venture generally implies sharing of management and ownership in an enterprise. It can also take the form of licensing agreements, contract manufacturing and management contracts.
- 8) **MERGERS AND ACQUISITIONS:** It is a very important market entry strategy as well as expansion strategy. In this method the company takes over a company in the foreign country. Sometimes the objective of this method is to obtain access to new technology or a patent right. This method has the advantage of reducing the competition.
- 9) **STRATEGIC ALLIANCE:** In this method the company tries to increase their long-term competitive advantage by forming association with their competitors, existing or potential in critical areas, instead of competing with each other. It is sometime used as market entry strategy. It has been quickly increasing particularly in global business.
- 10) **COUNTER TRADE:** It is a form of global trade in which certain import and export transaction are directly connected each other and in which import of goods are rewarded for by export of goods instead of money payments. The counter trade can take the form of barter, buy-back, compensation deal and counter purchase.

## CONCLUSION

International trade is the exchange of capital, goods and services across international boundaries or territories. The global market entry strategies have its own advantages and disadvantages. A company can choose

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an appropriate strategy depending up on the nature of product as well as the nature of market. One strategy appropriate for one market may not be suitable for another market with diverse business environment. The company may also accept different strategies for different market for the same product.

**ACKNOWLEDGEMENT**

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## PERFORMANCE SCRUTINIZATION OF COMPANIES ON CORPORATE SOCIAL RESPONSIBILITY (CSR) CULTURE IN TAMILNADU

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### ABSTRACT

*Corporate Social Responsibility (CSR) is introduced in India after Companies Act, 2013. The CSR culture is playing the prominent role in conducting business ethically and empowering the social issues by supporting them, they need. The significance of CSR model varied from industry to industry, it depends on the company which model they want to adopt. The motive of the research is to study their performance and evaluate their contribution they are making to flourish the environment and setting standards in the society, content analysis was done to achieve this objective. To analyze the variances and trend in CSR F-test, Trend Analysis and Exponential Smoothing model to measure the past observations are weighted equally. It seems that the contribution set by the companies is quite commendable for their financial inclusion while most of the social and environmental issues still left unaddressed.*

*Keywords: Corporate Social Responsibility, CSR, Tamil Nadu*

### INTRODUCTION

The concept of corporate social responsibility originates in India even before its statutory formation of the Companies Act, 2013. The companies use the available resources in our surroundings, exercise their operation and practice all to survive. So, it becomes their moral duty to share their part to restore things, associate to conserve environment and accomplish their responsibilities towards the society. The CSR culture, creating an impact in our social lives across worldwide. It helps to create world a better place to live through their contribution in social welfare, saving the environment, empowering weaker section and infrastructural and financial support in societal development institutions. These companies play a vital role in backing the essential support society needed to improve life quality, grow as a community and survive. The CSR in business operations and activities leave a long lasting impression in the country's economy as well as in our social lives. It sets directions for the company to take active part in social development, while generating maximum revenue within it. That also helps companies by creating the image among the surroundings, or else profit maximization without keeping social benefit in mind, the consumer behavior can bring drastic change in the pattern of their sales.

The Corporate Social Responsibility spending by Indian firms are estimated worth around USD 1 billion in March 2018. According to Quartz "Indian Company contribution on CSR and Welfare activities has been jumped to 47% higher as compared to 2014, when Government of India made mandatory for large firms that they have to spend at least 2% of their Net Profit on society and human welfare development. This applies to those, who are having the turnover of Rs. 1000 crore or those maximizing profits over Rs. 5 crore. As per Ministry of Corporate Affairs and National CSR Data portal the CSR spending decreased to Rs. 470.54 crore from Rs. 615 crore in 2016-2017.

**Table No-1: Contribution-Distribution on the basis of Key Areas of CSR**

| Key Area of CSR Activities  | No. of Companies | Percentage |
|---|------------------|------------|
| Hunger Education, Poverty, Malnutrition                                   | 17               | 26.15      |
| Education, Employability and Livelihood Enhancement                       | 60               | 92.30      |
| Preventive Healthcare, Water and Sanitation                               | 45               | 69.23      |
| Contribute to Central Government Fund                                     | 17               | 26.15      |
| Rural Development   | 16               | 24.61      |
| Promoting National and rural Sports, Paralympic, Olympic Sports           | 14               | 21.53      |
| Gender, Equality and Women Empowerment, Senior Citizens Care              | 13               | 20.00      |
| Heritage Conservation, Promoting Art, Craft and Culture, Public Libraries | 13               | 20.00      |
| Technology incubation   | 1                | 1.53       |
| Environmental Sustainability  | 27               | 41.53      |
| Armed Force Veteran Welfare   | 3                | 4.61       |
| Other Activities, Assistance to poor, Donations etc.                      | 6                | 9.23       |

Source: CSR Box, Annual Reports

**INTERPRETATION**

The table No. 1 shows that the 92.30% companies are encouraging Education, Employability and Livelihood Enhancement, 69.23% companies providing support to Preventive Health care, Water and Sanitation and 41.53% companies are indulging in maintenance of environmental sustainability. The remainder key areas of CSR Activities have also taken into consideration by companies to some extent in Tamil Nadu.

**IMPORTANCE OF THE STUDY**

Trade and business is an integral part in order to exhaust the available resources and fulfillment of needs of the society along with the development of a nation as a whole. So, this sets the obligations of the companies by imparting same duties and responsibilities they have towards the society during profit making. These companies can bring socio-economic changes by understanding their roles and accountability towards the society. The fair deals and clean business operations only, not enough for its establishment and survival. It requires efforts which can bring necessity changes, growth and development in community as whole. The concept of business undergone through several changes in centuries, earlier profit making was the only objective of companies. Now a day's profit-making is considered as prime objective and CSR has been added as secondary in order to assure the social development along with their personal interest.

**OBJECTIVE OF THE STUDY**

- To study the importance of the social responsibilities, culture in companies.
- To study the performance and contribution of selected companies towards the society in Tamilnadu.
- To evaluate the services rendered by these companies to society and initiatives taken to reform the social values.
- To analyze the factors influencing the social activities of selected companies.

**METHODOLOGY OF THE STUDY**

It includes descriptive approach of CSR activities and empirical analysis on companies CSR performance in Tamil Nadu. It includes sample design, tools of data, data collection and analysis framework to scrutinize the accomplishments in the CSR field.

**Sampling Design**

The study is conducted on the basis of annual reports of the selected companies across the Tamilnadu state. Total 65 samples are taken for study, which include public sector undertaking, public and private companies. These companies are considered as the most influential and revenue driven business companies in Tamilnadu.

The sampling details are given in the following table.

**SAMPLE DISTRIBUTION ON THE BASIS OF OWNERSHIP**

| Type of Company           | No. of Samples |
|---------------------------|----------------|
| Private                   | 19             |
| Public                    | 43             |
| Public Sector Undertaking | 3              |
| Total                     | 65             |

**SAMPLE DISTRIBUTION ON THE BASIS OF ORIGIN**

| Origin of Company | No. of Samples |
|-------------------|----------------|
| National          | 56             |
| International     | 9              |
| Total             | 65             |

**Tools of data collection**

This study is empirical in nature and based upon the annual reports published by companies. The essential part of the study the data collected is secondary and annual reports published and filed by the companies in audit office, online and on the internet.

**Framework of Analysis**

To study the performance and evaluation of social responsibilities, activities and contributions of these companies in societal development, the various statistical tools such as Trend Analysis, Exponential Smoothing, F-Test and percentage analysis were applied. The percentage analysis is used to analyze the contribution of companies, growth of society and disbursement of funds in social activities.



**Data Collection**

Various parameters like Ownership, Company origin, Expenditure on CSR Activities, Major Areas of CSR Activities, Shortfall in CSR Expenditure, Annual Submission of CSR reports and total amount of contribution were analyzed to understand the aptitude of companies.

**DATA ANALYSIS AND INTERPRETATION**

This section of the study provides the result and its interpretations.

The following table 2 highlights the Project-Wise CSR contribution of companies during 2014-2015 till 2017-2018.

**Table-2**

| CSR Contribution of Companies (Project-Wise)                              |        |            |
|---|--------|------------|
| (In INR Crores)   |        |            |
| Key Area of CSR Activities  | Amount | Percentage |
| Hunger Education, Poverty, Malnutrition                                   | 34.97  | 8.76       |
| Education, Employability and Livelihood Enhancement                       | 248.76 | 62.33      |
| Preventive Healthcare, Water and Sanitation                               | 216.23 | 54.18      |
| Contribute to Central Government Fund                                     | 19.32  | 4.84       |
| Rural Development   | 52.60  | 13.18      |
| Promoting National and rural Sports, Paralympic, Olympic Sports           | 21.57  | 5.40       |
| Gender, Equality and Women Empowerment, Senior Citizens Care              | 6.54   | 1.64       |
| Heritage Conservation, Promoting Art, Craft and Culture, Public Libraries | 64.71  | 16.21      |
| Technology incubation   | 1.00   | 0.25       |
| Environmental Sustainability  | 45.35  | 11.36      |
| Armed Force Veteran Welfare   | 0.06   | 0.02       |
| Other Activities, Assistance to poor, Donations etc.                      | 4.79   | 1.20       |

Source: CSR Box, Annual Report

**INTERPRETATION**

The table 2 shows the Companies has spent most of their CSR funds during 2014-2015 till 2017-2018 on issues related to social lives and the betterment of society which is 62.33% Contributing Amount of Rs. 248 crore and Rs. 216.23 crore has been spent on Healthcare support, water and sanitation. It is noted that, merely Rs. 0.06 crore, Rs. 1 crore and Rs. 6.54 crore is spent on Armed Force Veteran, Technology Incubation and equality and empowerment in society which is equally important for us to grow as a society.

The following table 2.1 highlights the Project-Wise CSR contribution of companies during 2014-2015 till 2017-2018.

**Table-2.1**

| Descriptive Statistics of CSR Contribution Project-Wise |        |
|---|--------|
| Mean  | 59.65  |
| Standard Error  | 24.16  |
| Median  | 28.27  |
| Standard Deviation                                      | 83.70  |
| Kurtosis  | 2.15   |
| Skewness  | 1.81   |
| Range   | 248.70 |
| Minimum   | 0.06   |
| Maximum   | 248.76 |

Source: Computed

**INTERPRETATION**

The table 2.1 shows that the average CSR spending is Rs. 59.65 crore and standard deviation are calculated as Rs. 83.70 crore. The Maximum and Minimum CSR is measured as Rs. 248.76 crore and Rs. 6 lacs. The probability in the tails is 2.15.

The following table 3 highlights the Trend Analysis and Annual growth in the CSR Contribution during 2014-2015 till 2020-2021.

**Table-3**

| <b>Annual Growth in CSR Expenditure</b> |                     |                   |
|---|---------------------|-------------------|
| (In INR crore)                          |                     |                   |
| Year                                    | Contribution/Amount | Annual Growth (%) |
| 2014-2015                               | 150.01              | -                 |
| 2015-2016                               | 241.30              | 60.85             |
| 2016-2017                               | 198.35              | -17.79            |
| 2017-2018                               | 228.65              | 15.27             |
| 2018-2019                               | 252.82              | 10.57             |
| 2019-2020                               | 246.50              | -2.49             |
| 2020-2021                               | 273.73              | 11.04             |

Source: Computed

**INTERPRETATION**

The table 3 shows that the During 2015-2016 there was annual growth of 60.85% in Actual CSR Activities expenditure as compared to base year 2014 - 2015 but in the 2016-2017 the annual growth declined to 17.79% which was a straight shortfall of 42.95 crore in CSR spending. In 2017-2018 the annual CSR Expenditure increased by 15.27%.

Trend Analysis shows the trend in CSR contribution by companies. It shows in 2018-2019 the contribution will rise by 10.57% by the estimated expenditure of Rs. 252.82 crore, in 2019-20 it can decrease by 2% and increased again in 2020-2021 by 11.04% estimating the expenditure of Rs. 273.73 crore on CSR activities. So, it shows the slight volatility in growth.

**DIFFERENCES BETWEEN ACTUAL CSR AND PRESCRIBED CSR**

The following table 4 highlights the differences between Actual CSR and Prescribed CSR expenditure of selected companies during the year 2014–2015 to 2017-2018.

**Table-4**

| <b>Differences between Actual CSR and Prescribed CSR Expenditure</b> |            |                |                   |            |
|--|------------|----------------|-------------------|------------|
| (In INR crore)   |            |                |                   |            |
| Year   | Actual CSR | Prescribed CSR | Differences (+/-) | Percentage |
| 2014-2015  | 150.01     | 214.83         | 64.82             | 30.17      |
| 2015-2016  | 241.30     | 245.70         | 4.40              | 1.79       |
| 2016-2017  | 198.35     | 272.24         | 73.89             | 27.14      |
| 2017-2018  | 228.65     | 309.37         | 80.72             | 26.09      |

Source: Computed

**INTERPRETATION**

The table 4 shows that there is a difference between Actual CSR expenditure and Prescribed CSR expenditure which was 30.17% in 2014-2015. The differences were minimal in 2015-2016 which counted only 1.79% (difference of Rs. 4.40 crore) and it increased by 26.09% during the year 2017 – 2018.

**HYPOTHESIS**

Ho: There are equal variances between actual CSR and prescribed CSR expenditure of selected company during the year 2014-2015 till 2017-2018.

The table 4.1 highlights the F-Test analysis of Actual CSR and Prescribed CSR Expenditure during the year 2014-2015 till 2017-2018.

**Table-4.1**

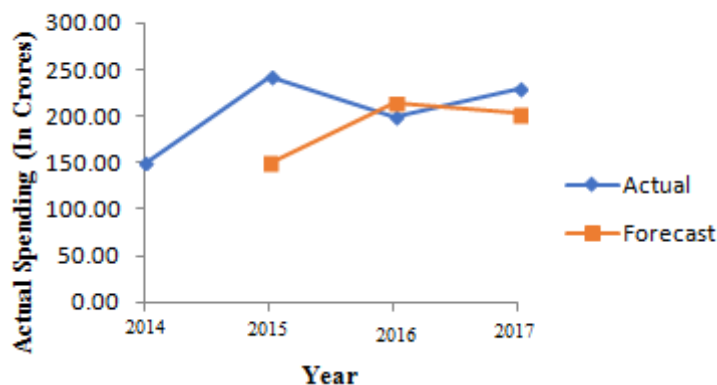
| <b>F-Test - Two-Sample for Variances</b> |                               |                                   |
|--|-------------------------------|-----------------------------------|
|  | <i>Actual CSR Expenditure</i> | <i>Prescribed CSR Expenditure</i> |
| Mean                                     | 204.5775                      | 260.535                           |
| Variance                                 | 1648.140358                   | 1610.296167                       |
| Observations                             | 4                             | 4                                 |
| Df                                       | 3                             | 3                                 |
| F  | 1.023501386                   |                                   |
| P(F<=f) one-tail                         | 0.492606326                   |                                   |
| F Critical one-tail                      | 9.276628154                   |                                   |

Source: Computed

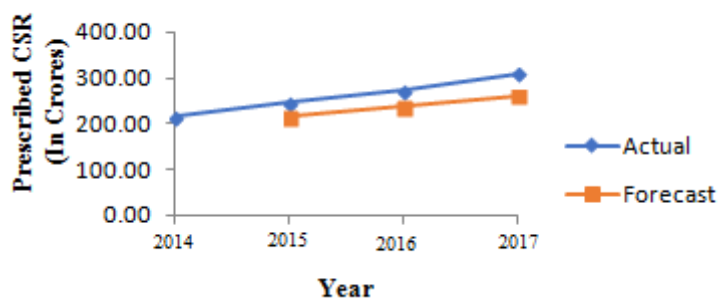
**INTERPRETATION**

The table 4.1 shows that the calculated value of 'P' (0.49) which is more than a significant value of 0.05. So, the Null hypothesis is accepted. There are equal variances between the actual CSR and Prescribed CSR. The average actual CSR and prescribed CSR expenditure is Rs. 204.57 and Rs. 260.53.

**Chart No-1**  
**Exponential Smoothing**



**Chart No-2**  
**Exponential Smoothing**



The table 5 highlights the Companies Outlook on CSR Activities during the year 2017-2018.

**Table No-5**

| Companies Outlook on CSR Activities                                 |                  |            |
|---|------------------|------------|
| Nature of Companies   | No. of Companies | Percentage |
| The amount allocated for CSR Activities even after incurring losses | 4                | 6.15       |
| Carried forward to next FY due to short fall in utilizing the money | 20               | 30.76      |
| Spent more than Prescribed CSR Budget                               | 19               | 29.23      |
| Utilized the full allocated amount on CSR Activities                | 22               | 33.84      |

Source: CSR Box, Annual Report

**INTERPRETATION**

The table 5 shows the company's outlook on CSR Activities of selected countries. The company's outlook towards the CSR Activities is quite mixed. As 22 companies bring into action the full amount of their CSR funds, while 20 companies will carry forward the unspent amount to next year due to a shortfall in utilizing money. The 19 Companies have spent more than the prescribed budget on CSR Activities and 4 Companies even after occurring loss they made their contribution. As per research Public Sector Undertaking and Public companies are taking active participation in CSR Activities as compared to Private companies.

**SUGGESTIONS**

The companies have to take voluntary initiative towards the social responsibility. They must organize the various educational programs, relief & aid activities, blood donation camp, cultural and social development programs. They must establishes their own CSR Foundation to carry out Activities for better of society and environment because the misuse of funds might be possible if distribution takes place without any reality check.

1. All selected companies are advised to take active participation in fulfilling their social responsibility by conducting various CSR Activities and initiate more and more Social projects.

2. All companies are advised to add more funds and focus on Environment, Sustainability project to secure the environment and make sure the environment stay alive with us. As the environment is equally important as human lives.
3. Government is advised to prepare a proper policy on CSR expenditure and funds allocation for foreign companies and force them to indulge in more.
4. The companies are advised to prepare proper CSR model in order to utilize funds efficiently because study shows that 30.76% companies carried forward the unspent funds to next year due to lack of efficiency in their CSR model.
5. The Government strongly recommends keeping a reality check on CSR Activities of these companies and providing additional support to promote social welfare, if needed.
6. Public sector undertaking companies performing the commendable job in CSR activities, so advised, to private companies to conduct CSR Activities as much as possible to promote social welfare among the society.
7. The society is advised to avoid the misuse of receiving funds and use it in an efficient and effective manner. Also advised to take proper care of assets and work done through CSR Activities.

## **V. CONCLUSION**

The business and Industry are considered to be important to develop the country's economy and standard of living in society by providing employment opportunities, technological exposure, social exposure, skill development and many more apart from CSR culture. It helps us to grow together in the same environment. They help to impart education, enhancing lives, providing health care and empowering the weaker section of society. The Companies are now a day taking initiative beyond their obligations and performing the social responsibility during crises such as "Kerala flood relief", "Gaza Cyclone" and other societal development activities our surroundings. The government also supports such aid and back companies to conduct these activities on a regular basis. These companies understand their roles and responsibility towards the society as compared to earlier days. They are helping in enriching animal lives, nurturing environment through donations, social responsibility activities and spreading awareness. The study shows that the companies are actively participating in the social welfare activities. Due to lack of company's welfare strategies there is an improper utilization of funds, which remains unspent and carried forward to next year. The government participation can be concluded as an array without a boon. The Government of India and Ministry of Corporate Governance needs to monitor and a proper check on the activities performed by the companies. Most of all, we also need to make the proper use of it by caring installed assets, avoiding the misuse of funds, taking active participation in these activities and make it a success.

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## E COMMERCE BUSINESS PLAN &amp; STRATEGY

S. Prasanth<sup>1</sup> and Dr. S. Sudhamathi<sup>2</sup>Research Scholar<sup>1</sup> and Assistant Professor<sup>2</sup>, Alagappa Institute of Management, Alagappa University, Karaikudi**ABSTRACT**

*The drivers for electronic commerce are both technological (under the tremendous pressure of innovation) and business bound. This paper can highlight some pointers for firms UN agency are going in E-commerce to make an E-commerce strategy or UN agency have already got an E-commerce presence to revise their existing strategy. E-Commerce is currently seen as a reality for several businesses and a standard a part of a business set up. The immediate edges, in terms of price savings, efficiencies and increased profitableness square measure clear at each stage within the offer chain. Adopting e-business is not any longer a competitive advantage, however a standard business method, while not that AN enterprise is unlikely to survive within the New Economy. There is more cash needed then was expected. Some of them had to induce on the bandwagon as everyone elsewhere and didn't need to be left behind, and currently that the bubble has burst they're facing the consequences. This paper can aim to assist firms to appreciate what they have to follow to possess an undefeated business if they set up well and have an honest strategy.*

**INTRODUCTION**

Many firms approach E-commerce with no clear plan of wherever they're going, typically they read the trade leaders' accomplishments superficially and check out to imitate the front-runners. What they fail to contemplate is that the level of commitment and structure definition that has got to occur behind the scenes. Many manufacturers lack an E-business strategy or are investing in e-business without having a strategy in place. Maturing of the e-commerce industry can happen very fast (Feindt et al., 2002). Notwithstanding when market maturity will set in, it is important that e-commerce companies prepare themselves for the increasingly competitive pressures from more demanding consumers, experienced e-commerce players, traditional brick-and-mortar retailers and new entrants attracted to the growing online retailing market. Online retailers should understand the best practices of successful e-commerce ventures and get things done right fast. This issue is much more critical for small businesses, the majority of which are involved in online selling (Pratt, 2002). Unlike the large e-commerce companies, Small and Medium-sized Enterprises (SMEs) have limited access to slack resources to experiment with new strategies and absorb the risk of failures (Karagozoglu and Lindell, 2004).

**CONCEPTUAL FRAME WORK****Interactive Product Visualization**

product visual image is one amongst the most effective ways for you to gift your product to your shoppers. It will facilitate them study each detail of a product, that successively can change them to form associate degree hep call while not regretting it subsequently - serving to you avoids complaints and negative reviews. For example, the recent addition of zoom possibility on varied e-commerce sites has been a good facilitate for businesses and shoppers alike. It permits shoppers to rivet on sure details and find a higher understanding of the item while not truly touching it. As well as a zoom feature, you must embrace a lot of product demo videos that show your product in action. According to a research 52% of consumers say that watching product videos makes them more confident in their online purchase decisions. The fact is videos show all the aspects of your products' potential. Consumers need to envision however a product works however additionally to form positive it's the method they expect. Another powerful possibility is to use 3D expertise for your shoppers. An interactive 3D illustration is extraordinarily handy for purchasers to method product options. 3D product imaging won't solely increase client engagement, however it might considerably boost conversion rates.

**Artificial Intelligence (AI)**

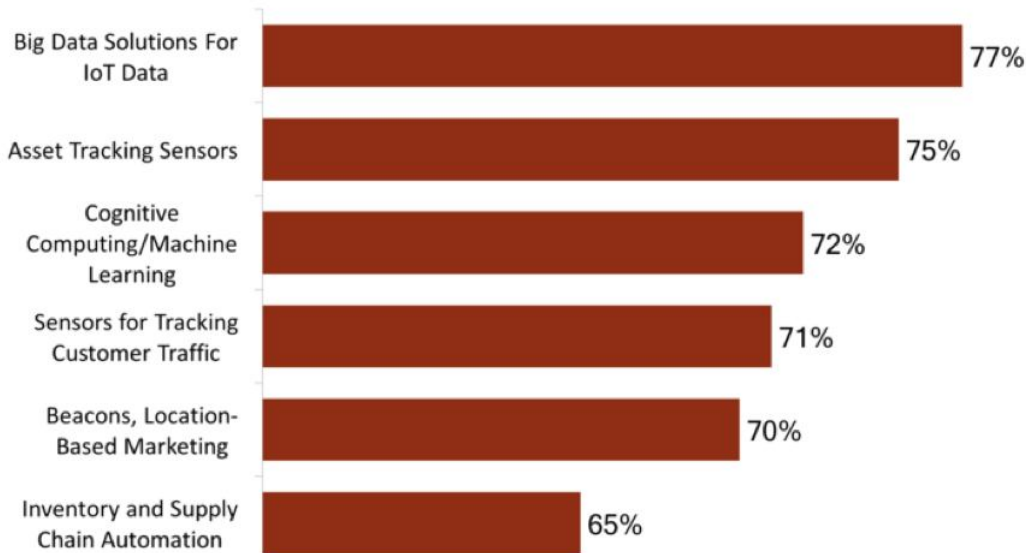
Artificial intelligence associate degree isn't any longer an alien construct, neither is it a territory that can't be harnessed for usual practical purposes. That said, AI is everywhere and is step by step embedding itself into every and each side of our life. From sensible homes to e-learning, to care and finance, AI is making its presence felt in a profound manner.

E-commerce is another extremely acceptable domain wherever AI will build a major impact. Today, business higher cognitive process has become a lot of data-driven associate degree there's an ever-increasing demand for measurable metrics. For example, conversion rate, bounce rate, website traffic, engagement rate, etc. are extremely important factors for online marketers. This is wherever AI tools is of extended facilitate for you.

They enable you to collect additionally as investigate knowledge in period of time and track the method potential customers act along with your complete. AI facilitates better efficiency and competence.

### Percentage Of Retailers Planning To Invest In AI And IoT Technologies By 2021

Global



n=1,700

Source: Zebra Technologies, 2017

BI INTELLIGENCE

You can effectively analyze client behaviour on your web site by exploitation algorithms to predict what product might charm to your prospects and supply recommendations. Machine learning algorithms may be applied to automatize your supply and warehouse operations. The study of historical information, information analytics, and latest trends will facilitate in optimizing the resource allocation, build a healthy pipeline and analyze the team performance.

### ADVANCE PRODUCT FILTERING

As the world is steady entering into the longer term, individuals appear to be busier. So at a stage when leisure appears to be a luxury, consumers want to save every bit of their time and shop up front. The advanced filter practicality permits your customers to seek out precisely what they are trying to find quickly and simply. It may be even additional helpful if you're mercantilism heaps of variations of constant styles of product with many alternative choices. In 2019, product filters are vital part for your on-line front. Sadly, forty second of major e-commerce sites don't have category-specific filtering sorts for a few of their product verticals.

SHOP BY

CURRENTLY SHOPPING BY:

Shop by Special :  
New Arrivals

Clear All

Shopping Options

Category

Shop by Special

New Arrivals (4)

Popular Products (7)

Customer Review

Brand

os

Price

MOBILES

SORT BY: Position ↑ VIEW AS: 8 Item(s) SHOW: 12

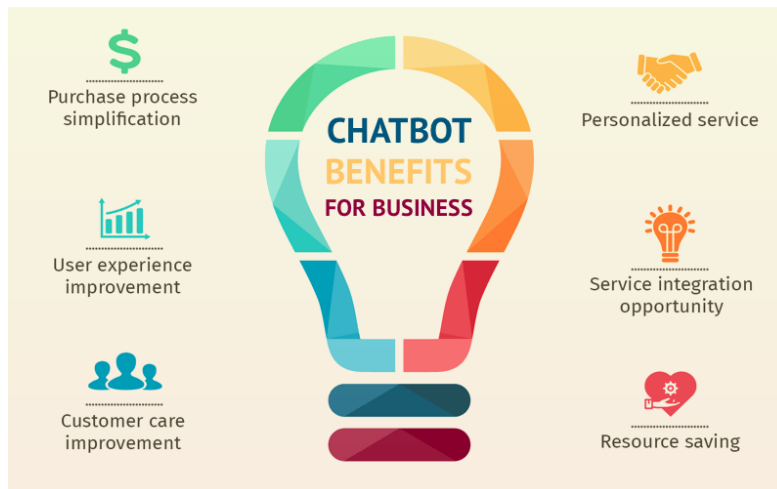
|   |   |  |  |
|---|---|--|--|
| <p>MICROMAX</p> <p>\$650.00</p> <p>ADD TO CART</p> <p>Add to Wishlist</p> <p>Add to Compare</p> | <p>NOKIA LUMIA 1020</p> <p>\$500.00</p> <p>ADD TO CART</p> <p>Add to Wishlist</p> <p>Add to Compare</p> | <p>SAMSUNG GRAND</p> <p>\$650.00</p> <p>ADD TO CART</p> <p>Add to Wishlist</p> <p>Add to Compare</p> | <p>MOTOX</p> <p>\$522.00</p> <p>ADD TO CART</p> <p>Add to Wishlist</p> <p>Add to Compare</p> |
|---|---|--|--|

SORT BY: Position ↑ VIEW AS: 8 Item(s) SHOW: 12

The advanced filtering mechanism allows customers to type through a fancy array of product choices. In fact, customers WHO can't notice they're trying to find among many seconds are a lot of seemingly to bounce from your website. If you're a shop, advance filters can facilitate users spot a particular color, size, vogue and material. There is many ways to use filters in your on-line store, like theme-based, price, popular, user ratings, etc. You should place as several specific product attributes as attainable as a class filter. It's a decent thanks to inform your customers that these attributes ar crucial to their choice method.

#### 4. Chatbots

Technically a locality of AI, chatbots is a very important weapon for e-commerce firms once it involves enhancing client expertise. You can use chatbots to instantly communicate with customers and resolve their problems on multiple platforms, like Facebook or your on-line store. A chatbot is largely a malicious program that simulates a spoken communication with somebody's user with AN intent to furnish some reasonably service. Some chatbots are thus advanced, it's very onerous to differentiate them from chatting with a true human.



A live chatbot can provide your shoppers a extremely customized expertise. It will effectively guide them down the sales funnel by influencing their getting selections. You can embrace the total vary of product and method data for your customers who have queries and considerations on the thanks to the checkout page. You can conjointly program chat bots to fetch information from email selling campaigns, up sell and cross-sell merchandise, provide discounts codes, and so on.

In addition to interacting with customers, live chat bots can help you manage and track your inventory, thereby letting you know you are running out of certain best-selling items in your online store. They can conjointly let your customers understand that the merchandise they were searching for is back available.

#### 5. More Delivery Options

As a very important side of e-commerce business, delivery must be quick, convenient and timely if you wish to remain ahead within the competition in 2019. In fact, shipping is one among the key differentiators between several on-line competitors.

With the exponential boom within the e-commerce sector, web shoppers have demands and wishes that they need to be addressed a lot of quickly, which can form delivery choices. Amazon is testing drones for package delivery in countries like European nation and Australia; whereas Mercato, a web food market, is connecting shoppers to vendors and merchants in their community, making it easier, quicker and a lot of convenient than ever to urge the simplest food delivered.



Speed and potency square measure reaching to be the hallmarks of e-commerce business within the future. Consumers are even demanding a same-day delivery service, so it's a good time to optimize your supply chain. In terms of innovation within the delivery system, again Amazon is at the forefront in experimenting with in-home delivery using smart locks. The idea is when a delivery person is at the door the consumer receives a notification, after which they can remotely unlock their smart-lock to allow the delivery person access.

### **CONCLUSION**

In general, today's businesses must always strive to create the next best thing that consumers will want because consumers continue to desire their products, services etc. to continuously be better, faster, and cheaper. In this world of new technology, businesses need to accommodate to the new types of consumer needs and trends because it will prove to be vital to their business' success and survival. E-commerce is continuously progressing and is becoming more and more important to businesses as technology continues to advance and is something that should be taken advantage of and implemented. From the inception of the Internet and e-commerce, the possibilities have become endless for both businesses and consumers. Creating more opportunities for profit and advancements for businesses, while creating more options for consumers. However, just like anything else, e-commerce has its disadvantages including consumer uncertainties, but nothing that cannot be resolved or avoided by good decision-making and business practices.

The e-commerce landscape is evolving. This means that the trade can get larger and higher within the returning years and new technological trends can create it additional seamless. As a growing e-commerce business owner, you need to keep a track of these technologies and find ways to use the ones that best suit your needs. The higher than methods can offer an improved worth to your users and create your business more in in 2019 and on the far side.

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**A STUDY ON ECONOMIC PERFORMANCE OF AIRLINE INDUSTRY**

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**ABSTRACT**

*Financial advancement worldwide is getting a critical lift from air transport. This more extensive monetary advantage is being produced by expanding associations between urban communities - empowering the stream of products, individuals, capital, innovation and thoughts - and falling air transport costs. the development of the modern technological era, the modes of transportation have undergone a massive transformation and one among them is the aviation industry. The airline means of transportation play an important role in the globalised economy. The affordability, accessibility and quality services provided by the aviation industry makes it a major player in the transportation and logistics sector. Also now-a-days it plays a major role in cultural exchanges because of the affordable rates provided by the airlines. Even the governments of different countries are focusing on the development of infrastructure which are airport and aviation-led. This in-turn will boost the economic growth of the country. It will also reduce the regional disparities in the nation. The researcher an attempt to analysis the economic performance of the airline industry.*

*Keywords: Economic Performance, Worldwide, Fuel, Aircraft.*

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**INTRODUCTION**

The Airline Industry is organizations that give air transport administrations to voyaging travelers and cargo. The business rent or possess its aircraft with which to supply these administrations and may frame organizations or unions with different carriers for the common advantage. For the most part, carrier organizations are perceived with an air working endorsement or permit issued by a legislative flight body. Carriers fluctuate from those with a solitary airplane conveying mail or payload, through full-administration worldwide carriers working several flying machines. Aircraft administrations can be sorted as being intercontinental, intra-mainland, household, local, or global, and might be worked as booked administrations or contracts. The carrier business gives the administration to pretty much every edge of the globe, and has been an indispensable piece of the production of a worldwide economy. It gives the main transportation organize crosswise over worldwide and it is pivotal for worldwide business improvement and the travel industry advancement. It is additionally basic for the quick development of individuals and load shipments around the globe. Air transportation is a standout amongst the most imperative administrations to offer both huge social and financial advantages by serving the travel industry and exchange, it adds to monetary development and it likewise gives occupations and expands charge incomes. The carrier business itself is a noteworthy financial power, both as far as its very own activities and its effects on related ventures, for example, flying machine assembling and the travel industry. Hardly any different ventures create the sum and power of consideration given to carriers, among its members as well as from government arrangement producers, the media, and nearly any individual who has a story about a specific air travel involvement.

**IMPORTANCE OF THE STUDY**

With the development of the modern technological era, the modes of transportation have undergone a massive transformation and one among them is the aviation industry. The airline means of transportation play an important role in the globalised economy. The affordability, accessibility and quality services provided by the aviation industry makes it a major player in the transportation and logistics sector. Also now-a-days it plays a major role in cultural exchanges because of the affordable rates provided by the airlines. Even the governments of different countries are focusing on the development of infrastructure which are airport and aviation-led. This in-turn will boost the economic growth of the country. It will also reduce the regional disparities in the nation. The researcher an attempt to analysis the economic performance of the airline industry.

**METHODOLOGY**

The current study is based on secondary data. The required information is collected from various journal books, and websites, etc.,

**WIDER ECONOMY**

Financial advancement worldwide is getting a critical lift from air transport. This more extensive monetary advantage is being produced by expanding associations between urban communities - empowering the stream of products, individuals, capital, innovation and thoughts - and falling air transport costs. The quantity of one of a

kind city-pair association is gauge to have surpassed 21,000 this year, more than twofold the availability via air twenty years prior. The cost of air transport for clients keeps on falling, in the wake of altering for swelling. Contrasted with twenty years back genuine transport costs have more than divided.

Air transport is imperative for produces exchange, especially exchange segments which is a noteworthy piece of cross outskirt exchange today. We gauge that the estimation of global exchange transported via air this year will be \$6.9 trillion. Visitors going via air in 2018 is estimated to burn through \$794 billion. Another effect on the more extensive economy gets through the impact expanded aircraft movement has on occupations in the division, in its production network, and the employments created as spending swells through the economy. These 'store network' employments around the globe are evaluated to ascend to more than 70 million of every 2018.

**TABLE-1: ECONOMIC PERFORMANCE OF WORLDWIDE AIRLINE INDUSTRY**

| Particulars                       | 2016  | 2017  | 2018  | Mean    | SD     | CV%   |
|-----------------------------------|-------|-------|-------|---------|--------|-------|
| Unique city pairs                 | 18691 | 20032 | 21314 | 20012.3 | 1311.6 | 6.55  |
| % COY                             | 82    | 95    | 108   | 95      | 13     | 13.68 |
| Transport cost US\$/RPK           | 83.5  | 79.5  | 80.3  | 81.10   | 2.116  | 2.60  |
| % COY                             | -51   | -53   | -53   | -52.33  | 1.154  | 2.20  |
| Value of trade carried \$ Billion | 5480  | 6060  | 6863  | 6134.33 | 694.48 | 11.32 |
| % COY                             | -2.9  | 10.6  | 13.2  | 6.966   | 8.6431 | 124.0 |
| Value of tourism spends \$billion | 671   | 719   | 794   | 728.0   | 8.643  | 1.18  |
| % COY                             | 0.9   | 7.2   | 10.4  | 6.166   | 4.833  | 78.38 |
| Supply chain Job, Million         | 67.7  | 69.6  | 71.5  | 69.60   | 190.0  | 2.72  |
| % COY                             | 4.1   | 2.8   | 2.8   | 3.233   | 0.750  | 23.19 |
| Supply chain GVA,\$ million       | 3.0   | 3.1   | 3.3   | 3.133   | 0.1527 | 0.18  |
| % COY                             | 5.9   | 4.6   | 4.6   | 5.033   | 0.7500 | 0.00  |

Source: Computed from Ascend, ICAO, IATA.

RTK= Revenue Tonne Kilometre, GVA= Gross Value Added. The total number of routes or airport pairs with much higher because of multiple airports in some cities and connection are counted both ways, City-pairs: jet + turbo - props larger than 19 seats, at least 1 flight a week from the SRs analysis database, supply chain Jobs, and GVA from ATG 2016 report appendix.

### AIRCRAFT

business carriers are relied upon to take a conveyance of more than 1,900 new airships, a generous venture by the business. The pattern enhancement in normal returns (ROIC) has given the business the certainty to contribute on this scale. Supported high fuel costs had likewise made it financial to resign more established airplane at a higher rate, however that the impact has debilitated. Around half of the current year's conveyances will supplant existing armada, making a huge commitment to expanding armada eco-friendliness, as depicted underneath. The armada is conjecture to increment by more than 1000 flying machine to end this year at right around 30,000 airships; development proceeds as business sectors have extended unequivocally and the viewpoint stays positive. The normal size of flying machines in the armada is proceeding to rise gradually. So before the end of 2018 there will be around 4.4 million accessible seats. These seats are likewise being utilized all the more seriously, which is basic for benefit in a capital concentrated industry – and it additionally lessens the natural effect. Traveler load factors are relied upon to ascend from 2017 dimensions to 81.7% by and large in 2018. The Airship is likewise being flown all the more seriously. The quantity of planned airplane flights is conjecture to achieve 39 million this year. That is a normal of 74 airships leaving every moment of 2018.

**TABLE-2: ECONOMIC PERFORMANCE OF AIRCRAFT**

| Particulars                  | 2016  | 2017  | 2018  | Mean   | SD      | CV%   |
|------------------------------|-------|-------|-------|--------|---------|-------|
| Aircraft Fleet               | 27417 | 28429 | 29614 | 28486  | 1099.63 | 3.860 |
| % COY                        | 3.4   | 3.7   | 4.2   | 3.7667 | 0.4041  | 10.72 |
| Available seats, million     | 3.9   | 4.1   | 4.4   | 4.133  | 0.251   | 6.073 |
| % COY                        | 6.1   | 5.2   | 5.8   | 5.700  | 0.4582  | 8.038 |
| Average Aircraft Size, Seats | 144   | 146   | 148   | 146.0  | 2.00    | 1.369 |
| % COY                        | 2.6   | 1.5   | 1.6   | 1.900  | 0.608   | 32.01 |
| Schedule flight, million     | 35.4  | 36.8  | 39.0  | 37.067 | 1.814   | 4.893 |
| % COY                        | 4.2   | 3.9   | 5.8   | 4.633  | 1.021   | 22.03 |
| ASKS, % COY                  | 7.5   | 6.7   | 6.7   | 6.966  | 0.4618  | 6.629 |

|                              |      |      |      |        |        |       |
|------------------------------|------|------|------|--------|--------|-------|
| Passenger Load Factor, % ASK | 80.5 | 81.5 | 81.7 | 81.233 | 0.6429 | 0.791 |
| Freight Load Factor, % AFTK  | 46.9 | 49.3 | 49.4 | 48.53  | 1.4153 | 2.916 |
| Weighted Load Factor, % ATK  | 67.7 | 69.2 | 69.3 | 68.733 | 0.8962 | 1.303 |
| Breakeven Load Factor, % ATK | 62   | 64   | 64.6 | 63.533 | 1.3613 | 1.136 |

Source: Computed from Ascend, ICAO, IATA.

ASK= Available Seat kilometres, AFTK-Available freight tonne kilometres, ATK-Available Tonne Kilometres, Source; Ascend, ICAO, IATA.

## FUEL

The carrier fuel bill will ascend to \$188 billion, which will speak for 24.2% of normal working expenses. Fly fuel costs have kept on ascending with oil costs and we base our estimate on a normal cost of \$84/b this year, and \$70/b at the Brent raw petroleum cost. The sharp ascent in costs is being driven by OPEC cuts, and the acknowledgment that inventories need to stay higher than before since OPEC's support job has gone. The effect of the business' fuel bill was hosed a year ago and to some degree this year by the effects of fuel supporting in a couple of locales. We conjecture that eco-friendliness, as far as limit use for example per ATK, will enhance by 1.5% in 2018 as conveyances of new air ship develop and as fuel costs rise forcefully. The yearly normal per RTK eco-friendliness enhancement from 2009-14 remains at 2.4%, versus the 1.5% business target.

**TABLE-3: ECONOMIC PERFORMANCE OF FUEL**

| Particulars                         | 2016  | 2017 | 2018  | Mean   | SD     | CV%   |
|-------------------------------------|-------|------|-------|--------|--------|-------|
| Fuel spend, \$ billion              | 135   | 149  | 188   | 157.33 | 27.466 | 0.17  |
| % COY                               | -22.3 | 10.3 | 26.1  | 4.70   | 24.681 | 5.25  |
| % Operating Costs                   | 20.8  | 21.4 | 24.2  | 22.13  | 1.814  | 8.19  |
| Fuel use, billion litres            | 322   | 341  | 356   | 339.6  | 17.039 | 5.014 |
| % COY                               | 5.3   | 5.9  | 4.4   | 5.200  | 0.7549 | 14.51 |
| Fuel efficiency, litre fuel/100 ATK | 22.9  | 22.9 | 22.5  | 22.766 | 0.2309 | 1.014 |
| % COY                               | -1.1  | -0.2 | -1.5  | -0.933 | 0.6658 | 71.36 |
| CO <sub>2</sub> Million tonnes      | 811   | 859  | 897   | 855.66 | 43.096 | 5.036 |
| % COY                               | 5.3   | 5.9  | 4.4   | 5.20   | 0.754  | 14.5  |
| Fuel price, \$ barrel               | 52.1  | 66.7 | 84.0  | 67.6   | 15.96  | 23.60 |
| % COY                               | -21.9 | 28.0 | 25.9  | 10.66  | 28.233 | 28.48 |
| % Spread over oil price             | 16.8  | 21.5 | 20.85 | 19.71  | 2.546  | 12.91 |
| Upstream oil profits, % billion     | 12    | 14   | 16    | 14.0   | 2.00   | 14.28 |

Source: Computed from Ascend, ICAO, IATA.

## CONCLUSION

The present study concluded that the economic performance of airline industry. The affordability, accessibility and quality services provided by the aviation industry makes it a major player in the transportation and logistics sector. Also now-a-days it plays a major role in cultural exchanges because of the affordable rates provided by the airlines. Even the governments of different countries are focusing on the development of infrastructure which are airport and aviation-led. This in-turn will boost the economic growth of the country. It will also reduce the regional disparities in the nation.

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**CHALLENGES AND OPPORTUNITIES OF GLOBALIZATION IN HUMAN RESOURCE MANAGEMENT**

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**ABSTRACT**

*Globalization is a mounting evident fact in the modern times. Now a days man started thinking in modern way of proceedings and assessment. Globalization is becoming biggest challenge for the firms to become more modernized and professional, at the same time extending the geographical reach of their operations. The present study assessed the impact of globalization on key areas of human resources management. Since the world is under the pressure of globalization, human resource departments are transforming themselves based on modern opportunities which are spread over worldwide. The supply of talented human resource is too short to meet the long term demand of the globalization. So this is the biggest challenge for the employees everywhere to fill the gap. Various new technologies have emerged that are helpful for human resource professionals to manage the processes involved in globalization but there are also certain challenges that are faced by the organizations. This is the apt time for the multinational organizations to position better prominence on attracting human capital instead of financial capital. Global staffing and management of a workforce diverse in culture and language skills, and dispersed in different nations are the key goals of global human resources. Nowadays HR experts gradually are entrusted with working new computer system frameworks required to deal with a worldwide workforce. The managers of Human resource have to squander a significant time and strive to learn new platforms when their companies rely on the latest software to manage a worldwide workforce.*

*Keywords: Human Resource Management, Globalization, Global staffing*

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**INTRODUCTION**

The emergence of globalization has reverted the way roles were done by the specific parties of the organisation. It is complicated for the management to appoint the type of employee that has the uniqueness they are looking for. Globalization has led to a transformation, which has influenced people's culture and traditions. The firms in India are to be affected greatly by the wind of change. The integration of business units has made it difficult for firms to amalgamate or carry out joint venture. The system leading the human resource section has been jeopardized by the transformation brought by wind of economic change. The five R's Recruiting the right talent, Resourcing, Retraining, Restructuring and retaining the talent no longer does not exist. Hence the strategies need to be revised as they are guiding the human resource operations in a company. With the globalization, the success of the small firms depends on marketing and managing abroad.

**GLOBALIZATION OF HUMAN CAPITAL**

The workforce is the greatest resource available in many company which they acquire and retain. When a company try to extends its base to a overseas, the current workers will face the impact of globalization faced by the HR managers and also to new employees. As the current staff transfer to overseas for their new positions, the HR department must increase support to their staff. The employees must be guided with the norms for visas, work permits, and housing which will be required, as well as training in cultural issues and language gaining. When a company decides to move into new global market, it completely depend on its ability to fill needs with skilled workers.

The next major bang of globalization on human resource development is the inevitability to consider cultural differences, both in and out of the workplace. Businesses tend to have their own corporate cultures or ways of operating, but there are societal and cultural differences between people in organization. The workforce is affected by the Cultural norms within a society and how workers view their jobs, especially in relation to time spent with their family and ideas about employment expectations. In most of the countries, cultures may also have unstable ethnicity about gender roles, mainly with reference to the role of women in leadership. Whilst a female in a managerial position is common in American culture, the same may not hold true elsewhere in India .

Varying tax and labor laws are being affected by the global expansion. The experts in the Human Resource departments must be equipped well to pact with different tax rates, benefit requirements or labor and environmental regulations.

**STATEMENT OF THE PROBLEM**

As globalization has come into advent, it is experiential that nowadays organizations are becoming gradually more inclusive and inventive. At present, HR managers are facing few challenges while they try to build productive, consistent workforces at the workplace. As globalization is getting emerged in this business epoch, it is difficult to gather diversified workforce at one common place where there may arise a question of culture, religions, traditions, norms and values. Finally to sustain its position, it is essential to tackle such challenges in the industry and remain competitive. Hence to encounter the challenges rooted due to globalization and its escalating rapidity, HR strategy that involve screening, training, pay and human resources policies and practices using different technology must be framed.

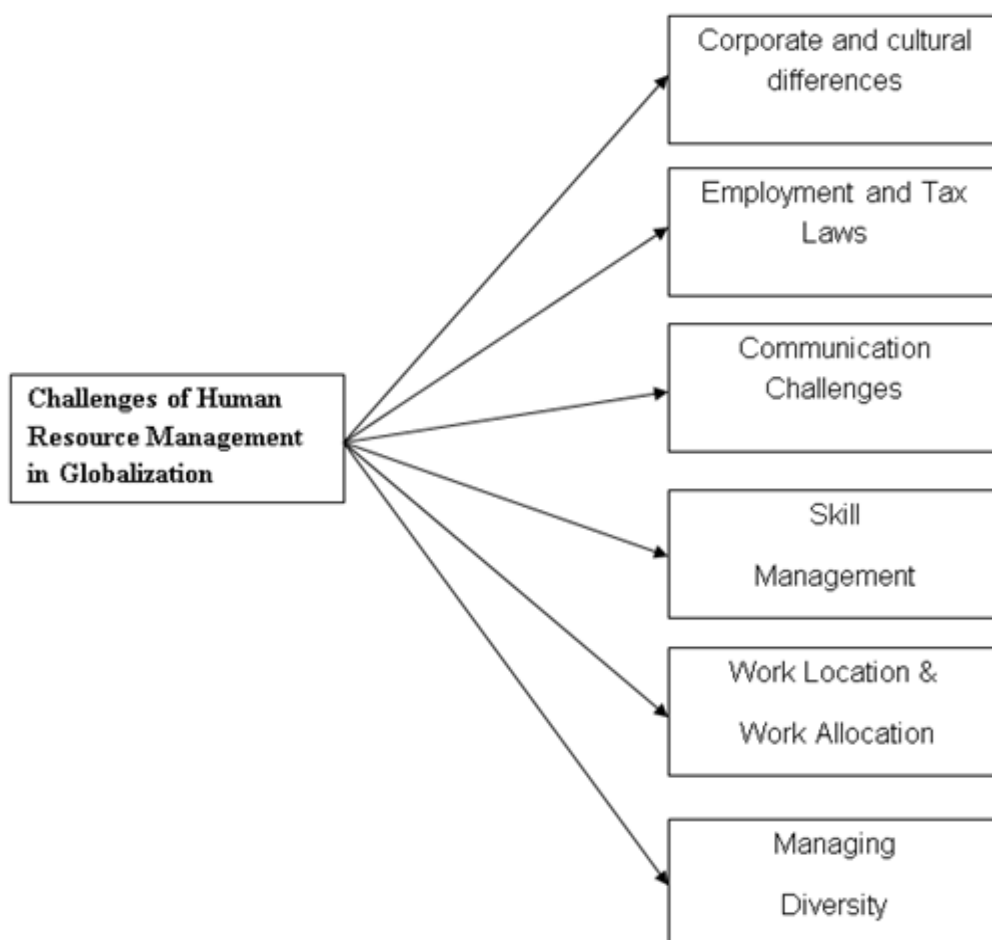


Fig-1: Challenges of Human Resource Management in globalization

**OBJECTIVES OF THE STUDY**

1. To understand the challenges of HRM in globalized business world.
2. To assess the major challenges faced by the HR manager due to globalization.
3. To analyze the factors that affect HR manager in international market.

**RESEARCH METHODOLOGY****HYPOTHESES**

$H_0$ : There is no association between the gender of the managers and the changes in cultural norms.

$H_0$ : There is no association between Human resource manager's experience and their leadership effectiveness.

**SOURCES OF DATA**

The study has depended on primary sources of data.

**QUESTIONNAIRE**

Primary data were collected by administering a well conceived questionnaire to the sample managers.

**STATISTICAL TOOLS**

Relevant statistical tools such as mean, standard deviation, Independent sample test and Chi square analysis were used for the analysis and interpretation of survey data.

**SAMPLING DESIGN**

- (a) Sampling frame : 1450 managers  
 (b) Sampling size : 220 managers  
 (c) Sample method : Simple random sampling

**RESEARCH DESIGN**

The research design adopted in the present study is a “Descriptive Design” of conclusive one.

**LITERATURE REVIEW**

The full force of globalization has hit today's organizations, and it is clear that there are many cultural and human problems. International human resource management (IHRM) is being asked to better understand and develop multinational organizational leaders to meet the challenges. A prominent solution that is receiving increased attention is the construct of global mindset (Story, Barbuto Jr., Luthans & Bovaird, 2014).

HRM is not a simple bundle of conventional functions like recruitment, promotion dovetailing work force responsibilities or ensuring satisfactory levels of wages and compensation. It calls for astute, psychological gambits and maneuvers. Learning to manage cultural differences will help managers have a global outlook, which is the key factor for survival and growth of organizations in the global village (Kanna, 2013).

“Globalization is a process that is drawing people together from all nations of the world into a single community linked by the vast network of communication technologies.” Now, HR managers are having the worldwide market to find their required talent and there are number of employees in the queue. The social media and professional networking online have made the recruitment take easier than earlier. The company must ensure that the proper mix of personnel is recruited and maintained in the private space (Bradley, 2017).

**ANALYSIS AND INTREPTATION**

On the basis of primary data, the summarized result of the response of the respondents are given below.

**MEAN AND STANDARD DEVIATION****Mean**

A mathematical representation of the typical value of a series of numbers, computed as the sum of all the numbers in the series divided by the count of all numbers in the series. It is determined for almost every kind of data. It is least affected by fluctuations of sampling. The arithmetic mean is highly affected by extreme values.

**Standard deviation**

The standard deviation is a mathematical formula for the average distance from the average. Standard deviation is a measure of how spreads out the data points are. A set with a low standard deviation has most of the data points centered around the average. A set with a high standard deviation has data points that are not so clustered around the average.

**Table-1: Mean and Standard deviation of Areas where HR Faces challenges due to Globalization**

| Sno | Areas of Challenges      | MEAN | STANDARD DEVIATION |
|-----|--------------------------|------|--------------------|
| (a) | Skill Management         | 3.90 | 8.00               |
| (b) | Managing diversity       | 3.82 | 7.81               |
| (c) | Work location            | 2.48 | 4.31               |
| (d) | Work Allocation          | 2.77 | 5.02               |
| (e) | Leadership effectiveness | 3.16 | 5.94               |

Source: Results computed

From the computed mean, it is found that areas where HR faces challenges due to Globalization, Skill Management scores the highest mean score of 3.90 and the work location scores the lowest value of 2.48. The highest variation in the opinion about area of challenges was skill management. The lowest variation is work location. This reveals that the skill management and managing diversity are the two major challenges faced by the HR due to globalization.

**INDEPENDENT SAMPLE t TEST**

Gender plays an important role in challenges faced by the HR manager due to globalization. The present study aims at examining whether the gender has a significant association in the changes in cultural norms due to globalization.

$H_0$ : There is no association between the gender of the managers and the changes in cultural norms.

Table-2

| Variable       | Mean Difference | Std. Error Difference | t      | df  | Sig. (2-tailed) |
|----------------|-----------------|-----------------------|--------|-----|-----------------|
| CULTURAL NORMS | -0.2032         | 0.2015                | -1.009 | 218 | <b>0.014</b>    |

Source: Results computed through Spss

As the calculated p value (0.014) of independent sample t test is lesser than the significance level 0.05, the framed hypothesis for this purpose is rejected at 95% confidence level. Therefore, it could be concluded that there is significant association between the gender of the manager and the changes in cultural norms.

### CHI-SQUARE TEST

In the case of cross tabulation involving two (non-metric) variables, a test of significance called the Chi-squared test is used to test if the two variables are statistically associated with each other significantly. The chi-square test is a useful method of comparing obtained data with those expected theoretically.

### Testing of Hypothesis

**Null Hypothesis  $H_0$ :** There is no association between Human resource manager's Experience and their Leadership Effectiveness.

**Alternative Hypothesis  $H_1$ :** There is a association between Human resource manager's Experience and their Leadership Effectiveness.

Table-3: Chi-square tests for experience of HR manager VS Leadership Effectiveness

|                              | Value  | Df | Asymp. Sig. (2-sided) |
|------------------------------|--------|----|-----------------------|
| Pearson Chi-Square           | 34.677 | 16 | .004                  |
| Likelihood Ratio             | 35.184 | 16 | .004                  |
| Linear-by-Linear Association | 2.369  | 1  | .124                  |
| N of Valid Cases             | 220    |    |                       |

Source : Results computed through SPSS package

The 'p' value, that is, Pearson Chi-squared test reads a significant level of 0.004 at 5% level of significance. This value of 0.004 being less than our significance level of 0.05, *the null hypothesis is rejected*. Hence at 95% of confidence level, we accept the alternative hypothesis, that is, Experience of HR manager and their Leadership Effectiveness are associated significantly with each other.

### Testing of Hypothesis

**Null Hypothesis  $H_0$ :** There is no difference between Recruitment through social media and employee's effectiveness.

**Alternative Hypothesis  $H_1$ :** There is a association between Recruitment through social media and employee's effectiveness.

The output result of Chi-square test is shown below in table 4.

Table-4: Chi-square tests for recruitment through social media and employee's effectiveness.

|                              | Value               | df | Asymp. Sig. (2-sided) |
|------------------------------|---------------------|----|-----------------------|
| Pearson Chi-Square           | 92.823 <sup>a</sup> | 8  | .000                  |
| Likelihood Ratio             | 102.171             | 8  | .000                  |
| Linear-by-Linear Association | 27.083              | 1  | .000                  |
| N of Valid Cases             | 220                 |    |                       |

a. 3 cells (20.0%) have expected count less than 5. The minimum expected count is 3.72.

The 'p' value, that is, Pearson Chi-squared test reads a significant level of 0.000 at 5% level of significance. This value of 0.000 being less than our significance level of 0.05, *the null hypothesis is rejected*. Thus at 95% of confidence level, we accept the alternative hypothesis, that is, Recruitment through social media and employee's effectiveness are associated significantly with each other.

### SUGGESTIONS

From the computed results it is revealed that skill management and managing diversity are two greatest challenges faced by the HR managers due to globalization. Recruiting more number of employees from diversified culture causes greatest changes in the management practices. Mainly women in India face more hurdles when they go for recruiting globally. Due to globalization, the other major challenge for the HR is to prepare a fresh policies which abide the cultural norms of all nations. Moreover the respondents feel that rather than traditional leadership global leadership would work better. At the process of international recruiting and

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selection process, the HR must consider the particular country laws. Furthermore, recruitment via social media provides greater advantages for the HR process of the organization.

### **CONCLUSION**

As the world entered into globalization, HR managers should go in search by cross borders, cross- culture experience as rudiments for career advancement, so that all the employees would feel that they are also a part of strong , unifying corporate personality. To manage the cross culture differences, the HR must assist to learn and practice to manage the global outlook. There are certain major challenges faced due to globalization by the HR are culture, legal proceedings, retention of employees, effective allocation of work and location of work for employees and effective leadership.

From the study it is found that the HR managers and team can face the challenges and can also solve in the same by developing themselves in communication skills and leadership skills. To uplift the organizational performance, the individual must take initiative to implement the best strategies in the most effective manner. The technological changes and global changes must be kept updated by the Human Resource managers to cope up with challenges prevailing in the HR field.

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**IMPACT OF ECONOMIC VALUE ADDED (EVA) ON SHARE PRICE: A STUDY OF INDIAN PRIVATE SECTOR BANKS**

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**ABSTRACT**

Many Indian banks are discovering the key to their long-term growth does not lie in products and services alone but in assets that can never be replicated, that is, their exceptional relationship with customers, employees, suppliers and distributors, investors and the communities they serve. The objective of this study was to work out shareholders price (in terms of amount added) of selected non-public sector banks throughout the last 5 years. From study it was found that in year 2016, ICICI Bank has maximum NOPAT. The value of EVA was ranging from highly during 2010. A highest in IndusInd bank, which indicates that about in stock price of IndusInd (the independent variable) can be explained by the relationship to EVA of IndusInd bank (the dependent variable). Only Kotak Mahindra bank has positive result between Kotak Mahindra Bank EVA & Kotak Mahindra Bank share prices. Rest of banks, has negative relation between their individual EVA & share value. For none of the bank EVA has Impact on share price, except EVA by Kotak Mahindra bank did have significant impact on stock price of Kotak Mahindra bank.

**Keywords:** Economic value added, Share Price, Net operating profit after tax, Return on invested capital, weighted average cost of capital.

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**ECONOMIC VALUE ADDED (EVA)**

Indian banking has seen many changes in the last decade like imposition of prudential standards, greater competition among banks, etc. This paradigm shift within the Indian banking sector will be seen in terms of 2 dimensions: One relates to operational side particularly performance and risk-management system and also the second dimension relate to structural and external environment. Is evaluating Indian bank's performance a rather clear-cut issue. The answer is no. One would possibly say that sort of a company; even banks can be judged from the behavior of their stock prices. However, as bank stocks have not been very active on exchanges, barring few on few occasions, we should conclude that Indian banks have by and large failed to add values to their shareholders' wealth.

The conception of amount another was introduced by a replacement dynasty based mostly business firm M/s Stern Stewart & Co in early eighties. The corporate sector in India is gradually recognizing the importance of EVA as a result of which some Indian companies have started calculating EVA. Infosys Technologies Ltd is the first Indian company to report its EVA in the annual report. EVA attempts to measure true economic profit as it compares actual rate of return as against the required rate of return. EVA is associate excess profit of a firm when charging price of capital. EVA essentially seeks to Measure Company's actual rate of return as against the required rate of return. To put it simply, EVA is the difference between Net Operating Profit after Tax (NOPAT) and the capital charge for both debt and equity (WACC- Weighted Average Cost of Capital). If NOPAT exceeds the capital charge (WACC), EVA is positive and if NOPAT is less than capital charge, EVA is negative.

**LITERATURE REVIEW**

**Mukherjee, K. (1998)**, under took a study on title "Adding Value to Money". They has Discussed that there are traditional methods to measure corporate income or known as accounting concept and there is also a modern method to measure corporate income or known as economic concept. EVA that's predicated on economic conception is professed to be a superior technique to spot whether or not the organization's NOPAT (Net operational Profit when Tax) throughout a amount is covering its WACC (Weighted Average Cost of Capital) & generating value for its owners. But it is very tricky to calculate Economic value added.

**Banerjee, Ashok and Jain (1999)**, under gone through a study on title "Economic Value Added and Shareholder Wealth: An Empirical Study of Relationship". They have carried out a research based on empirical data. Among the selected independent variables, EVA has proved to be the most explanatory variable, when MVA was taken as the dependent variable and Backward Elimination method was applied to find the most explanatory independent variable. For this purpose, the time frame was of eight years and all the variables were calculated over this period for the sample companies "Economic Value Added: Business performance measure of shareholders' value" They found that EVA, MVA unit higher measures of business performance than NOPAT and EPS in terms of shareholders' value creation and competitive advantage of a firm.

**OBJECTIVES OF THE STUDY**

- ❖ To study the shareholders value (in terms of Economic Value Added) of selected private sector banks during the last five years.
- ❖ To learn EVA and its applications to increase the shareholder's wealth.
- ❖ To examine EVA in bank and its impacts on share price.

**VARIABLES USED IN THE STUDY**

- 1. Net Operating profit after Taxes (NOPAT):** (PBDT + Interest on RBI loans + Interest on others + Total other Income) Less Cash Taxes.
- 2. Invested capital:** (Total equity & Reserves + Total borrowings)
- 3. Return on invested capital (ROIC):** (NOPAT / Invested capital)
- 4. Weighted Average Cost of capital (WACC):** Weighted cost of Equity + Weighted cost of Debt
- 5. Economic Value Added (EVA):** (ROIC – WACC)

**COMPUTATION OF ECONOMIC VALUE ADDED (EVA)**

While computing EVA, capital utilized represents capital endowed at the start of the year. The logic behind taking starting capital for computing EVA is that a corporation would take a minimum of one year time to earn a come back on investment. It may be mentioned here that calculation of EVA involves some difficult problems. Each component of EVA, therefore, has been mentioned on an individual basis. EVA requires three different inputs for its computation.

(A) NOPAT (Net Operating Profit after Tax)

(B) Invested Capital

(C) Weighted Average Cost of Capital (WACC).

$EVA = NOPAT - (WACC \times Invested\ Capital)$

**Net Operating Profit After Tax (NOPAT)**

Net operational profit once tax (NOPAT) because the “Profits derived from company's operations once taxes however before funding prices and non-cash book keeping entries. Such non-cash book keeping entries do not include depreciation since depreciation is considered as a true economic expense. In different words, NOPAT is capable the financial gain out there to shareholders and interest expenses (after tax).

**Invested Capital / Capital Employed**

Invested capital or capital used refers to total assets web of non-interest bearing liabilities. From Associate in Nursing operational perspective, endowed capital is outlined as web fastened Assets and Investments and web current assets. Net current assets denote current assets web of non-interest bearing current liabilities. From a funding perspective, an equivalent is outlined as web value and total borrowings. Total borrowings denote all interest bearing debts.

**Weighted Average Cost of Capital (WACC)**

For calculating WACC, cost of each source of capital is calculated separately then weights are assigned to each source on the basis of proportion of a particular source in the total capital employed. Weights are often assigned on market price basis or value basis. Stewart suggested market value basis. WACC can be calculated as below:

$$WACC = E/CE \times K_e + LTB/CE \times K_d$$

Where: E = Equity Capital,

Ce = Capital Employed,

Ltb = Long Term Borrowings,

Ke = Cost Of Equity Capital,

**EVA CALCULATION FOR INDIAN PRIVATE SECTOR BANKS****(A) Net Operating Profit after Tax**

The NOPAT info includes Interest financial gain, alternative financial gain deducting interest on deposit associate degreed alternative in operation expenses less tax therefore on provide an overall stress for in operation profit. Net operating profit is considered instead of net profit so as to highlight the economic value of a firm.

NOPAT = (Net Profit + Provisions and contingencies + Interest expenses) less (Taxes)

**Table-1: Net Operating Profit after tax**

| Name of the Banks | 2011     | 2012    | 2013     | 2014     | 2015     | 2016     |
|-------------------|----------|---------|----------|----------|----------|----------|
| Axis Bank         | 1528.63  | 2407.7  | 3744.13  | 5931.5   | 9569.91  | 10031.17 |
| HDFC Bank         | 2324.64  | 3531.09 | 5310.62  | 8132.99  | 13515.93 | 12835.84 |
| ICICI Bank        | 10075.89 | 15320.2 | 23807.43 | 32622.84 | 31516.36 | 25956.79 |
| ING Vyasya Bank   | 929.3    | 997.37  | 1095.66  | 1459.83  | 2002.28  | 1963.11  |
| IndusInd Bank     | 1090.08  | 1103.85 | 1449.51  | 1758.64  | 2173.62  | 2314.9   |
| Karnataka Bank    | 705.37   | 864.7   | 1052.84  | 1331.3   | 1681.31  | 2037.12  |
| Kotak bank        | 274.64   | 513.45  | 933.98   | 1845.28  | 2142.25  | 2142.25  |

Table 1 shows NOPAT of various banks over a period of time. Among all studied banks, it was found that in year 2016, ICICI bank has maximum NOPAT. HDFC bank again has NOPAT of Rs.12835.84 & it stood on second position among all banks. NOPAT of Kotak Mahindra bank was grown with 213.34% from year 2011 to 2016. The NOPAT of Axis bank was grown at 188.13 % over a period. NOPAT of HDFC bank & Karnataka bank was grown at rate of 170.87% & 106.06%, respectively. ICICI bank & indusland bank has recorded a growth rate in NOPAT at rate of 94.63% & 75.31%, respectively. NOPAT of ING Vyasya bank was grown at lowest growth rate of 74.79%.

**Table-2: Invested Capital (In Rs.)**

| Invested capital | 2011     | 2012    | Mar 2013 | Mar 2014 | Mar 2015 | Mar 2016 |
|------------------|----------|---------|----------|----------|----------|----------|
| Axis Bank        | 4189.6   | 5553.11 | 8588.83  | 14392.54 | 25734.67 | 33214.16 |
| HDFC Bank        | 9309.86  | 8158.01 | 9248.54  | 16092.16 | 24216.38 | 34438.18 |
| ICICI Bank       | 46444.46 | 61077.9 | 75919.29 | 112468.6 | 142688.5 | 145881.9 |
| ING Vyasya Bank  | 1540.18  | 2127.12 | 1946.83  | 2785.45  | 4888.21  | 6002.31  |
| IndusInd Bank    | 1439.86  | 1401.01 | 1649.3   | 2445.15  | 4481.35  | 7331.52  |
| Karnataka Bank   | 1221.7   | 1293.82 | 1659.36  | 1521.8   | 1571     | 2174.39  |
| Kotak bank       | 1652.68  | 2461.97 | 6733.25  | 8712.95  | 10639.54 | 10680.42 |

Table 2 shows invested capital in all banks over a period of time. Among all studied banks, it was found that in year 2016, HDFC bank has maximum Invested Capital & Karnataka bank has minimum Invested capital. Axis bank has highest growth in Invested capital of 207.04% during 2011-2016. Invested capital of Kotak Mahindra bank was grown at rate of 186.60% & 162.76%. ING Vyasya bank invested capital was grown at rate of 136.02% during 2011-2016. Invested capital of HDFC bank & ICICI bank was recorded a growth rate of 130.81% & 114.45% during 2011to 2016. Karnataka bank has lowest growth of 57.65% in invested capital.

### ECONOMIC VALUE ADDED (IN RS.)

For Banks under study EVA is calculated by using following formula:

Economic Value Added (in Rs.) = NOPAT - (WACC x Invested Capital)

| Bank         | Axis Bank | HFDC Bank | ICICI Bank | Indulsand Bank | ING Vyasya Bank | Karnataka bank | Kotak Mahindra Bank |
|--------------|-----------|-----------|------------|----------------|-----------------|----------------|---------------------|
| EVA(Average) | 5169.68   | 7271.49   | 20024.13   | 1552.15        | 1328.5          | 1250.22        | 1142.08             |

Above table shows Average Economic value added (in Rs.) during 2011-2016. ICICI bank has higher amount of EVA at Rs. 20024.13. HDFC bank has EVA of Rs. 7271.49. Axis bank & indusland bank has EVA of Rs.5169.68 & Rs.1552.15. ING Vyasya bank & Karnataka bank has EVA of Rs. 1328.5 & Rs. 1250.22, respectively. Kotak Mahindra bank has lower EVA at Rs. 1142.08.

### RETURN ON INVESTED CAPITAL

The return on invested capital signifies the return that the firm earns on the capital invested for a given period of time.

Return on invested capital=NOPAT/Invested capital

**Table-3: Return on Invested Capital (ROIC) of Private Banks**

| ROIC      | 2011   | 2012   | 2013   | 2014   | 2015   | 2016   |
|-----------|--------|--------|--------|--------|--------|--------|
| Axis Bank | 36.49% | 43.36% | 43.59% | 41.21% | 37.19% | 30.20% |
| HDFC Bank | 24.97% | 43.28% | 57.42% | 50.54% | 55.81% | 37.27% |

|                       |        |        |        |        |         |        |
|-----------------------|--------|--------|--------|--------|---------|--------|
| <b>ICICI Bank</b>     | 21.69% | 25.08% | 31.36% | 29.01% | 22.09%  | 17.79% |
| <b>ING Vysya Bank</b> | 60.34% | 46.89% | 56.28% | 52.41% | 40.96%  | 32.71% |
| <b>IndusInd Bank</b>  | 75.71% | 78.79% | 87.89% | 71.92% | 48.50%  | 31.57% |
| <b>Karnataka Bank</b> | 57.74% | 66.83% | 63.45% | 87.48% | 107.02% | 93.69% |
| <b>Kotak Bank</b>     | 16.62% | 20.86% | 13.87% | 21.18% | 20.13%  | 21.71% |

Table 3 shows that Axis bank has ROIC of 36.49 % in year 2011 which was decreased at 30.20 % in year 2016. HDFC bank ROIC was at 24.97% which was increased over a period of time but started to decrease from year 2014 & in year 2016 it decrease to 37.27%. ICICI bank ROIC was at 21.69 % which was increased over a period of time but started to decrease from year 2014 & in year 2016 it was decrease to 17.79%. ING Vyasya bank ROIC was grown at 60.34%. Over a time, it was remaining fluctuated & decreased to 32.71% in year 2016. IndusInd Bank RIOCI was at 75.71% which was remain fluctuated over a period of time & decreased to 31.57% in year 2016. ROIC of Karnataka bank was 57.74% in year 2011 which was remain in increasing trend & come at 93.69%. ROIC of Kotak Mahindra Bank was 16.62% in year 2011 & remain in fluctuating trend & increased at 21.71% in year 2016.

### ECONOMIC VALUE ADDED (IN %)

Economic value added (in %) can be calculated by using following formula.

Economic Value Added (In %) = ROIC – WACC

**Table-4: Economic Value Added (In %)**

| <b>EVA (%)</b>        | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Axis Bank</b>      | 34.30%      | 41.25%      | 40.88%      | 39.20%      | 34.34%      | 27.96%      |
| <b>HDFC Bank</b>      | 23.32%      | 41.56%      | 56.21%      | 48.60%      | 53.39%      | 35.42%      |
| <b>ICICI Bank</b>     | 18.84%      | 22.37%      | 28.33%      | 25.35%      | 18.39%      | 14.48%      |
| <b>ING Vysya Bank</b> | 57.97%      | 44.73%      | 53.88%      | 50.33%      | 38.00%      | 30.36%      |
| <b>IndusInd Bank</b>  | 73.56%      | 76.34%      | 85.14%      | 68.34%      | 44.77%      | 28.47%      |
| <b>Karnataka Bank</b> | 55.63%      | 66.38%      | 62.55%      | 86.60%      | 105.36%     | 91.14%      |
| <b>Kotak Bank</b>     | 14.35%      | 18.19%      | 11.43%      | 18.02%      | 16.45%      | 18.96%      |

The EVA of Axis bank was 34.30% in 2011 which was remain in an increasing trend till 2013 but from 2014 onwards it started to decrease and in 2015 it was 27.96%. In HDFC bank the EVA increase from 2011 to 2013 but in 2014 it was decrease to 48.60% after that it increase for one year than after again it was decrease. The EVA of ICICI bank increase from 18.84% to 28.33% in 2011 to 2014 but after that it was decrease from 25.35% to 14.48% in 2011 to 2016. In ING Vyasya bank the EVA was decrease over a year rather than in 2013. The EVA in IndusInd bank was remaining same as ICICI bank means it was increase for three years than it was decrease for last three years. The performance of Karnataka bank was good in comparison with other banks, the EVA was increase from 55.63% to 105.36% in year 2011 to 2015 but in 2016 it was slight decrease to 91.14%. In Kotak Mahindra bank the EVA value was change year by year means it was increase in one year than in second year it was decrease.

### CONCLUSION

The Study was done to determine the shareholders value (in terms of Economic Value Added) of private sector banks during the last five years. I.e. since 2010-11 to 2015-2016. All banks are ranging from 0.089% to 37.45%. HDFC Bank has highest range. The determination equal to 0.374525 indicates that about 37 % of the variation in Stock price of HDFC Bank (the dependent variable) can be explained by the relationship to EVA of HDFC Bank (the independent variable). This would not be considered a good fit to the data. The EVA and stock price for Kotak Mahindra Bank which is somewhat positive. The EVA and Market Value of Axis bank, HDFC bank, ICICI bank, ING Vyasya bank, Indulsand bank, and Karnataka Banks was negative.

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**CONSUMER AWARENESS AMONG COLLEGE STUDENTS: AN OVERVIEW**

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**ABSTRACT**

*Consumers are the largest economic group in any country. They are the central point of all economic activities. The ultimate aim of production, storage and distribution is to ensure consumption of goods and services to the satisfaction of the consumers. Consumer awareness means being conscious of having knowledge about the various consumer production laws, redress mechanism and the consumer rights which include right to protection of health and safety from goods and services that the consumer buy, right to be informed about the quality, price, potency, purity and standard of good, right to choose the best from a variety of others, right to get representation if there is any grievance or suggestion, and right to seek redress against unfair trade practice or unscrupulous exploitation. The Consumer Protection Act was enacted in 1986 to protect the consumers from unfair trade practices. There are certain rights provided to every consumer by the Consumer Protection Act. Every consumer must be aware of the consumer rights and responsibilities. In the present study, an attempt was made to find the awareness levels among the students consumer. The data were collected, 150 sample respondents in Karaikudi.*

*Keywords: Consumer, Consumer Protection, Consumer Rights, Consumer Responsibilities.*

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**I. INTRODUCTION**

Consumer is that the one that hires or avails of any services for a thought that has been paid and partially secure or beneath any system of payment. However client exploitation is extremely rampant recently. Shoppers get exploited in many ways through the lot of dominating and knowledgeable sources. On the opposite hand, shoppers need to bear in mind not solely of the business sides of sale and get of products however additionally of the health and security aspect. Besides this, they must bear in mind of their rights and duties being as rational citizenry viz., value and quality of product utilized by them, concerning truthful value outlets, standardization of product, concerning client Forums etc. Therefore, client exploitation ought to be bought down with correct awareness to the shoppers on their rights and the way they may move with things, if they feel they need been cheated. In the globalization, relief and privatization era, most of the economic choices are taken by the market. Though, the government has withdrawn itself from several economic activities, it interferes fairly often once the market mechanism fails thanks to structural rigidities within the economy and different factors, to give product and services to the folks. Consumption is one of the necessary economic activities, which needs regular government intervention, as market is unable to push security and welfare aspects of the shoppers. On the opposite hand, shoppers need to bear in mind not solely of the business sides of sale and get of products however additionally of the health and security aspect additionally. Besides this, they must bear in mind of their rights and duties being as rational citizenry.

**CONSUMER RIGHTS**

The best place to start off is to discuss the first four basic rights that JFK helped to bring about for consumers. Before consumers had these rights, businesses had little to no responsibility when it came to hearing and compensating for customers' complaints about their products.

**1) The Right to Safety:** This right refers to any product, other than an automobile, that may cause bodily harm to the consumer when used as it was intended to be used. This right gained further attention in 1972, when the US government formed the Consumer Product Safety Commission, which set up safety and performance standards for products, requiring them to be tested and carry warning labels if necessary. Conversely, the consumer's responsibility here is to use the product safely, follow all directions, and to be aware of any future warnings regarding the product.

**2) The Right to Be Informed:** Here, it is the company's responsibility to provide accurate and truthful information so that the consumer is able to make intelligent and informed choices. This right covers all products, but its original aim was to eradicate misleading information in the areas of financing, advertising, labeling, and packaging. Some examples of the legislation passed as a result of this right include the Wholesome Meat Act, the Truth in Lending Act, and the Fair Packaging and Labeling Act. The responsibility of the consumer lies in their obligation to analyze this product information, and to use it wisely.

**3) The Right to Choose:** Consumers not only have the right to a variety of options to choose from, but the environment in which the products and services are offered must be healthy, and conducive to fair competition. The government has promoted this environment by passing legislation regarding patent law, anti-trusts, and price-cutting and gouging. The responsibility of the consumer is to simply make their choices carefully.

**4) The Right to be heard:** Consumers have the right to express their complaints and concerns, resulting not only in safer goods and services, but also for the creation of laws regarding this safety. There's no official forum for these complaints to be heard, but state and federal attorney generals, as well as organizations like the Better Business Bureau deal with these situations all of the time. It's a consumer's responsibility to express their concern when necessary.

**5) The Right to Satisfy Basic Needs:** People have a right to have access to basic fundamental needs, such as food, clothing, shelter, education, health care, sanitation, water, etc. Not only should consumers have access to these necessities, they should be responsible enough to consume these items sustainably, so that not only are they fulfilled, but so others can have their needs met, as well.

**6) The Right to Redress:** If a consumer has lost money or otherwise felt cheated due to misrepresentation, shoddy products, or unsatisfactory services, they have the right to request money or other benefits to make up for their loss. The responsibility that lies with them is to seek appropriate compensation if a wrong is committed, in order to any wrongdoings are unacceptable.

**7) The Right to Consumer Education:** Consumers have the right to make the best-informed decision when making a purchase and this information should be readily available, and easy to understand. It is their duty to remain properly informed as the nature of products evolves over time and information changes.

**8) The Right to a Healthy Environment:** Expanding out from consumers rights, and into basic human rights, people have the right to live and work in an environment that is healthy non-threatening. This is not only for the people now, but also for future generations, and their responsibility is to make choices that minimize their environmental impact on the people of today and tomorrow.

## II. REVIEW OF LITERATURE

**Dr.S.Mohan and V.Suganthi (2015)**, have studied in their research work entitled the Rural Consumers Awareness about Consumers Rights. The study conducted to know the awareness level of rural consumers about the consumer's rights. The study revealed that there is significant association between age, educational qualification, marital status and monthly income of rural consumers and their awareness about consumer rights. And there is significant association between gender, type of family, occupation and monthly income of rural consumers and their level of consumer rights awareness.

**Jamuna (2016)**, searched under the title, Consumer awareness and attitudes towards Consumer Protection Act 1986. The study was conducted to find the consumer awareness level. In the study, responses were taken from the respondents related with consumer responsibilities. Majority respondents had given first rank to get guarantee and warranty card. It was also found that 67.14% respondents have awareness about the consumer forums and 53.21% respondents felt that formalities are simple. Majority respondents disagreed with the argument that Consumer awareness increased with Consumer Protection Act. 25% respondents felt that trade has increased due to Consumer Protection Act. Only 20% respondents had given the opinion that Consumer Protection Act created quality consciousness among the consumers.

**Deepika, D.Ratan Kumari (2014)**, A Study on Awareness on Legal act of Consumer Protection among Students. The study was conducted to find the awareness level among the students towards various consumer protection legislations. Majority respondents are aware of the Indian Penal Code, 1860. Majority respondents are aware of various acts. Low level of awareness was reported towards the Hire Purchase Act and the Railway Claims and Tribunal Act. In the study, it was found that majority students getting awareness through newspapers, journals and from course syllabi. The awareness towards Consumer Protection Act is 53.3%

## III. NEED FOR THE STUDY

Consumer awareness means being conscious of and having knowledge about the various consumer protection laws, redress mechanism and the consumer which include rights to protection of health and safety from goods and services that the consumers buy; right to be informed about quality, quantity, price, potency, purity, and standard of goods; right to choose the best from a variety of offers, right to consumer education; right to get representation if there is any grievance or suggestion, and right to seek redress against unfair trade practices or unscrupulous exploitation of consumers. This study of consumer awareness is the study of how individuals make decision on spending their available resource of money, time and effort on consumption-related items.

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**OBJECTIVE OF THE STUDY**

- To review the existing Consumer Rights and Protection framework in India.
- To analyze the awareness level of consumers towards consumer rights.
- To offer valuable suggestions to improve the awareness level based on the findings of the study.

**SCOPE OF THE STUDY**

The Data collection was confined from Karaikudi. In the study, consumer's awareness level towards consumer rights, and consumer protections laws was studied. The data was collected in the month of January 2019.

**HYPOTHESIS**

- There is no significant relationship between Consumer awareness and Consumer Rights.
- There is no significant relationship between Consumer Protection and Consumer Rights

**RESEARCH METHODOLOGY**

- **Primary Data:** Data collected from the target respondents through Structured Questionnaire.
- **Secondary Data:** Data collected from different source such as Journals, Books, Magazines, Publications, Report and Internet.
- **Sample size:** 150
- **Sampling Method:** Convenience sampling

**EXISTING CONSUMER RIGHTS AND PROTECTION FRAMEWORK IN INDIA**

One of the most important milestones in the area of consumer protection/consumer movement in the country has been the enactment of the Consumer Protection Act, 1986. It was a progressive and comprehensive piece of legislation of its time, covering all goods and services. The Act ensures the rights of consumer for safety, information, choice, representation, and redressal and consumer education, and provides for a simple, speedy and inexpensive redressal to the consumers' in the nature of a specific nature and also awards compensation, wherever appropriate, to the consumer. An exclusive three tier redressal machinery as an alternative to the civil court and other legal remedies available in the country has been established under the Act, wherein an aggrieved consumer can seek redressal against any defect in the goods purchased or deficiencies in services availed, including restrictive/unfair trade practices adopted by such manufacturer and trader of goods/service provider. In the past thirty years more than 4.3 million consumer cases were adjudicated and decided by the consumer form.

**SECTORAL LAWS PROTECTING CONSUMERS IN INDIA**

Besides the Consumer Protection Act 1986, various laws and Regulations in India protect the interests of consumers, some of which are:

**1. The Bureau of Indian Standard Act 2016**

The Bureau of Indian Standards (BIS) Act 2016 establishes BIS because the National Standards Body of India. Besides containing provisions for establishing voluntary standards, the Act additionally contains provisions to

bring beneath required certification regime any article, method or service that it considers necessary from purpose of read of health, safety, surroundings, bar of deceptive practices, security etc. sanctioning provisions have additionally been created for creating hallmarking of the dear metal articles necessary. The Act permits multiple varieties of conformity assessment schemes, together with Self Declaration of Conformity against any commonplace that provides simplified choices to makers to stick to the standards and obtain certificate of conformity. It permits the Central Government to appoint any authority, additionally to the BIS, to verify the conformity of merchandise and services to a regular and issue certificate of conformity.

## 2. The Legal Science Act 2009

The Act has acquired force on 01.04.2011 and has repealed the Standards of Weights & Measures Act, 1976 & Standards of Weights & Measures (Enforcement) Act, 1985. the govt ensures through the Act that each one weight and live used for trade or commerce or for defense of human health and safety area unit correct and reliable so users area unit secure for proper Weighmentand activity.

## 3. The Essential Commodities Act 1955

The Act empowers the govt to control costs, production, supply, distribution etc. of essential commodities for maintaining or increasing their provides and for securing their just distribution and handiness at honest costs. Most of the powers beneath the Act are delegated by the Central Government to the State Governments with the direction that they shall exercise these powers.

## 4. The Food Safety and Standards Act, 2006

The Act envisages regulation of manufacture, storage, distribution, sale and import of food to confirm handiness of safe and wholesome food for human consumption and for customers connected with that. The Food Safety and Standards Authority of India (FSSAI) has been established beneath this Act for birthing down scientific standards for articles of foods and to control their manufacture, storage, distribution, sale and import to confirm handiness of safe and wholesome food for human consumption.

## 5. The Contract Act 1872

The Act binds folks on their guarantees created during a contract. The Act additionally provides remedies accessible to parties just in case of breach of contract.

## 6. The Sale of Goods Act 1930

The act provides safeguard and relief to customers just in case merchandise don't seem to be obliging with the expressed conditions and guarantee.

## 7. The Competition Act, 2002

The Act governs Indian competition law. It replaced the Monopolies and Restrictive Trade Practices Act, 1969. below this legislation, the Competition Commission of Republic of India country nation was established to forestall the activities that have associate degree adverse impact on competition in India. it's a tool to implement and enforce competition policy and to forestall and penalize anti-competitive business practices by corporations and unessential Government interference within the market. Competition law is equally applicable on written similarly as oral agreement, arrangements between the enterprises or persons.

## 8. The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954

The medication and Magic Remedies (Objectionable Advertisements) Act, 1954 The Act controls advertising of medicine in Asian nation. It prohibits advertisements of medicine and remedies that claim to own sorceries properties, and makes doing thus a knowable offence. The act defines "magic remedy" as any charm, mantra, charm or the other object, that is claimed to own miraculous powers to cure, diagnose, stop or mitigate an illness in humans or animal.

## CONSUMER GRIEVANCE RESOLUTION

The Government has been conducting a state multimedia system awareness campaign since 2005 on numerous problems associated with shopper rights and responsibilities across various subjects. "Jago Grahak Jago" [Awake shoppers awake] has these days become a family axiom. a lot of recently, joint substance campaigns are launched in partnership with the connected Government Departments/ Organizations that cope with a mass shopper people. as an example, on food, with the Food Safety Standards Authority of Asian country nation (FSSAI) on money services with the Federal Reserve Bank of India (RBI); and on medicines with the National Pharmaceutical evaluation Authority (NPPA) through numerous electronic and medium like TV, Radio, Newspapers and out of doors advertising. The patron awareness campaign is enforced through the board of directors of Audio and visual substance (DAVP).



**NATIONAL CONSUMER HELPLINE**

Government of nation has discovered a National shopper Helpline (NCH), with a fee range 1800-11-4000 or 14404, that provides recommendation, info and storage to empower shoppers and persuade businesses to reorient their policy and management systems to handle shopper issues and grievances adopting world standards. The NCH responds to over forty,000 complaints in a very month, and it's partnered with over three hundred major firms to whom complaints are transferred on-line for resolution and obtaining feedback from them. associate degree Integrated Grievance Redress Mechanism (INGRAM) portal was launched for conveyance all stakeholders like shoppers, Central and authorities Agencies, non-public firms, regulators, Ombudsmen and decision centers etc. on to one platform. The portal helps in making awareness among shoppers to guard their rights and inform them of their responsibilities.

**STATE CONSUMER HELPLINES**

State shopper Helplines are created by State Governments with the target to encourage Alternate shopper Disputes Redressal mechanism at State level and facilitate in breakdown cases through mediation.

**SMART CONSUMER APPLICATION**

The govt has launched a mobile application "Smart Consumer" to modify the patron to scan the code of the merchandise and obtain all details of the merchandise like name of the merchandise, details of manufacturer, year and month of manufacture, web content and shopper care details for creating criticism just in case of any defect.

**GRIEVANCES AGAINST MISLEADING ADVERTISEMENTS (GAMA)**

In its Endeavour to deal with the matter of dishonorable advertisements, the govt has launched a portal known as "Grievances Against dishonorable Advertisements (GAMA)".for registering complaints on-line. A shopper will register a criticism along side a replica / video / audio of such publicity through the online portal.

**ONLINE DISPUTE RESOLUTION**

A web shopper Mediation Centre, established at the National school of law of Republic of India University, Bangalore underneath the aegis of Ministry Of shopper Affairs, Government of Republic of India aims to produce for a progressive infrastructure for breakdown shopper disputes each through physical in addition as on-line mediation through its platform.

**DATA ANALYSIS AND INTERPRETATION****TABLE-I: AGE OF THE RESPONDENTS**

| Particulars | Frequency | Percent | Cumulative percentage |
|-------------|-----------|---------|-----------------------|
| 18-20       | 45        | 30      | 30                    |
| 20-22       | 36        | 24      | 54                    |
| 22-24       | 40        | 26.7    | 80.7                  |
| Above 24    | 29        | 19.3    | 100                   |
| Total       | 150       | 100     |                       |

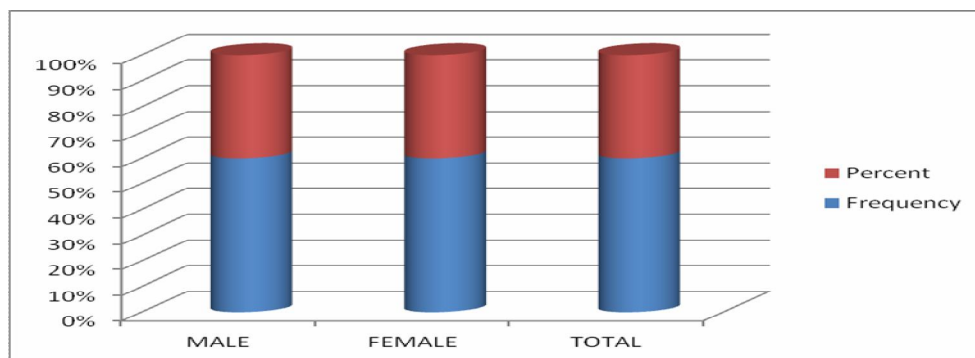
The above table indicates that out of 150 respondents 30% of the respondents fall under the category of 18-20.19.3 under the category of above 24. Thus a majority of the respondents fall in the 18-20

**TABLE-II: GENDER OF THE RESPONDENTS**

| Particulars | Frequency | Percent | Cumulative percent |
|-------------|-----------|---------|--------------------|
| Male        | 76        | 50.7    | 50.7               |
| Female      | 74        | 49.3    | 100                |
| Total       | 150       | 100     |                    |
| Particulars | Frequency | Percent | Cumulative percent |
| Male        | 76        | 50.7    | 50.7               |
| Female      | 74        | 49.3    | 100                |
| Total       | 150       | 100     |                    |

The above table indicates that out of 150 respondents 50.7% of the respondents fall under the category of male, 49.3% under the category of Female. Thus a majority of the respondents fall in the male.

**CHART-I: GENDER WISE DISTRIBUTION OF THE RESPONDENTS**



Hear by majority of the respondents i.e., 50.7% are belongs to the gender of 76 followed by 49.3% of the respondents are belongs to the age of least.

**TABLE-III: EDUCATIONAL QUALIFICATION OF THE RESPONDENTS**

| Particulars       | Frequency | Percent     | Cumulative Percent |
|-------------------|-----------|-------------|--------------------|
| UG                | 38        | 33          | 12                 |
| PG                | 53        | 27.7        | 42                 |
| Research scholars | 59        | <b>39.3</b> | 46                 |
| Total             | 150       | 100         |                    |

The above table indicates that out of 150 respondents 39.3% of the fall respondents under the category of research scholars level, 12% under the category of UG Level. Thus a majority of the respondents fall Research scholars in level.

**TABLE-IV: MEASURING CONSUMER RIGHTS AWARENESS**

| Consumer Rights                     | Fully Aware | Percent | Partly Aware | Percent | Not Aware | Percent | Total |
|-------------------------------------|-------------|---------|--------------|---------|-----------|---------|-------|
| <b>Right to Safety</b>              | 59          | (43%)   | 48           | 35%     | 31        | 22%     | 150   |
| <b>Right to informed</b>            | 51          | 37%     | 53           | 38%     | 34        | 25%     | 150   |
| <b>Right to choose</b>              | 49          | (6%)    | 39           | 28%     | 50        | 36%     | 150   |
| <b>Right to be heard</b>            | 55          | 40%     | 45           | 33%     | 38        | 28%     | 150   |
| <b>Right to seek redressal</b>      | 45          | 33%     | 39           | 28%     | 54        | 39%     | 150   |
| <b>Right to basic needs</b>         | 26          | 16%     | 44           | 32%     | 72        | 52%     | 150   |
| <b>Right to consumer education</b>  | 46          | 30%     | 37           | 27%     | 60        | 43%     | 150   |
| <b>Right to healthy environment</b> | 57          | 41%     | 46           | 33%     | 35        | 25%     | 150   |

Consumer rights awareness can be measured. 52% respondents are fully aware of the „Right to be heard“. About 50% respondents are fully aware of „Right to safety“, „Right to be informed“, „Right to choose“. 40% of the respondents have full awareness about „Right to seek redressal“. Only 20% respondents are fully aware of „Right to basic needs“. It can be concluded that on an average 39% respondents are fully aware of their rights. 33% of the respondents are partially aware of the consumer rights and 28% respondents are unaware of the consumer rights. It can be concluded that consumer rights awareness among students are moderate.

**TABLE-V: THERE IS NO SIGNIFICANT RELATIONSHIP BETWEEN AGE AND CONSUMER RIGHTS AWARENESS.**

| Education         | Fully Aware | General Aware | Not Aware | Total (%) |
|-------------------|-------------|---------------|-----------|-----------|
| UG                | 9(0%)       | 8(3%)         | 39(97%)   | 31        |
| PG                | 2(6%))      | 10(30%)       | 31(64%)   | 33        |
| Research scholars | 7 (18%))    | 13(33%)       | 19(49%)   | 39        |
| Total             | 18(13%)     | 31(22%)       | 89(65%)   | 150       |

Education and Consumer Rights Awareness Calculated  $\chi^2$  value 25.54 Degrees of freedom value at 5% level of significance 12.592. The Table reveals that more educated respondents are more aware than low education respondents. Chi2 test also reveals that there is significant relationship between the level of education and the level of consumer rights awareness, as the calculated value is more than the table value. Null hypothesis was rejected.

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**CONCLUSION**

Consumer could be a important element of society, and business depends on shopper. Once things are short in market, or some specific products are becoming short, have less provide then customers haven't any selection apart from to shop for those products on high costs. If they struggle to urge product on low rates then they get caliber material, need to face deceptive advertisements etc. deceptive advertisements talk over with the faux or improperly sent messages concerning totally different product, that tell that the merchandise is of prime quality however the truth is totally different.

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**CORPORATE GOVERNANCE'S RESPONSIBILITIES IN SOCIALLY**

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**ABSTRACT**

*Most companies seek a high level of corporate governance. Corporate Social Responsibility and Corporate Governance are two sides of a single coin. The implication here is that unless companies implement good governance, they are unlikely to have a social conscience, so the first step in corporate social responsibility is through effective corporate governance. CSR addresses the legal, ethical, commercial and other expectations that the community of companies must make decisions and actions that fairly balance the claims of all stakeholders.*

*Keywords: Corporate governance, CSR, Education, Environment*

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**INTRODUCTION**

Corporate governance is the rules, practices and processes that guide and control the company. Corporate governance primarily involves balancing the interests of many stakeholders, such as shareholders, management, customers, suppliers, financiers, governments and communities. As corporate governance also provides a framework for achieving corporate objectives, it effectively covers all areas of management, from business plans and internal controls to performance appraisal and corporate disclosure. Good corporate governance creates a transparent set of rules and controls in which shareholders and managers have aligned bias officers. Most companies seek a high level of corporate governance. For many shareholders, it is not enough to be profitable only; you also need to demonstrate good corporate citizenship through environmental awareness, ethical behavior and sound corporate governance practices. Being a good corporate citizen means that the company must have good governance and external responsibility internally. In other words, corporate social responsibility and corporate governance are two sides of a single coin. The implication here is that unless companies implement good governance, they are unlikely to have a social conscience, so the first step in corporate social responsibility is through effective corporate governance. The role of the board of directors and management is particularly important because they are the ultimate judgment of corporate actions. Price reductions are with them, so they must make sure that the companies they represent work effectively, taking into account social and environmental issues. On the other hand, companies such as Unilever and Infosys are often seen as examples of ways to effectively implement corporate governance. Other companies' choices are clear: either they put their homes in order, meet social and environmental standards, or risk the tarnished image of investors and consumers.

**CORPORATE GOVERNANCE FRAMEWORK IN INDIA**

The Indian framework on corporate governance was largely in line with international standards. Widely, it can be described in the following: (prathiksharavi, 2018)

- Corporate laws for 2013 contain provisions for independent directors, the constitution of the board of directors, public meetings, board meetings, board operations, related party transactions, audit committees, etc.
- The SEBI Guidelines (Securities and Exchange Board of India) guarantee investor protection and compel companies to adhere to the best practices mentioned in the guidelines.
- Accounting standards issued by the Institute of Chartered Accountants of India (ICAI) where the Institute is independent and issues accounting standards. The disclosure of financial statements is also mandatory by ICAI, backed by the Companies Act 2013, 129.
- The Standard Listing Agreement applies to companies whose shares are listed on various stock exchanges.
- ICSI secretariats (Institute of Corporate Trustees in India) issue standards on board meetings, public meetings, etc. The Companies Act of 2013 enables this independent body to provide the standards set by each company that must be adhered to so as not to be punished under the same corporate law.

The next aspect is that staff and stakeholders, including shareholders, play an important role in terms of corporate governance practices and corporate social responsibility practices.

Since effective corporate governance means that internal democracy and external responsibilities go hand in hand, all stakeholders have a responsibility to convince companies to follow business ethic and social norms.

This reflects the so-called shareholder activity and stakeholder participation, which means that stakeholders and shareholders can fully exercise authority over the board of directors and management procedures to guide them in achieving good corporate governance and corporate social responsibility. CSR is often taken to include environmental, social, human rights and corporate initiatives (Ward and Fox 2002). The concept of the social renaissance of society is in existence either in the form of philanthropy, dashvandh and now CSR. A great deal of effort is needed for associations between CSR initiatives taken and society in aglance. The local drivers self-support - the organization of industries is rather weak. Some hope may lie in the theory of guardianship in Gandhi, or may emerge from within companies where every company leader / manager makes a big difference by adopting more socially responsible policies and practices. In general, current Indian business practices do not bode well for the ethics of socially responsible companies. These practices are an important compensatory force hindering the adoption of voluntary initiatives by companies to improve working conditions and the environment in India. In fact, the declining nature of corporate ethics in India compels us to question the very motives of companies for self-regulation.

The Business Dictionary defines corporate social responsibility (CSR) as "the company's sense of responsibility towards society and the environment (both environmental and social) in which it operates." Companies express this nationality through waste minimization and pollution processes (2) (3) by earning sufficient returns on the resources used.

The practice of corporate social responsibility (CSR) has evolved as a model for companies and companies to follow from its earliest days as a slogan that some companies consider to be modern and follow the current reality of the 21st century.

The reason why companies should look beyond profits is also due to the strange state that humanity finds in the second decade of the 21st century. Given the political, economic, social and environmental crises that people face as a race, companies play a role because they contribute most to the economic well-being of humankind and, in turn, affect political and social trends. A prominent business sense as well as when one considers the harmful impact of social and environmental responsibility on the company.

Creating a shared value or CSV is based on the idea that corporate success and social well-being are intertwined.

### CORPORATE SOCIAL INITIATIVES

- 1) Corporate Philanthropy: The company's charitable donations including cash, goods and services are sometimes made through a joint venture.
- 2) Community volunteering: voluntary activities organized by the company, and sometimes the employee receives wages for work for the non-profit organization.
- 3) Socially responsible business practices: morally produced products that appeal to the customer sector.
- 4) Promotions Cause: Invitation campaigns funded by the company.
- 5) Cause-related marketing: Charitable donations based on product sales.
- 6) Corporate Social Marketing: Behavior change campaigns funded by the company.

All six corporate initiatives are forms of corporate citizenship. However, only some CSR activities are up to the level of cause marketing, which is defined as a kind of corporate social responsibility where the company's promotional campaign aims at a dual purpose of increasing profitability while improving society (Organ, Michael 2017).

### COMMON ACTIONS

Common CSR actions include (Jones, Tegan 2007)

- 1) **Environmental sustainability:** recycling, waste management, water management, renewable energy, reusable materials, "green" supply chains, reducing paper use and leadership in energy and environmental design (LEED) standards.
- 2) **Community participation:** This can include raising funds for local charities, providing volunteers, sponsoring local events, hiring local workers, supporting local economic growth, engaging in fair trade practices, etc.

**3) Ethical Marketing:** Companies that market products ethically to consumers place higher value on their customers and respect them as end-users. They do not try to misrepresent or advertise to potential consumers. This is important for companies that want to be ethical.

Many companies use a criterion for assessing, implementing and effective CSR policy. Benchmarking includes reviewing competitors' initiatives, as well as measuring and evaluating the impact of these policies on society and the environment, and how others view a competing CSR strategy.

## **CORPORATES ACTIVITIES IN SOCIAL RESPONSIBILITIES:**

### **I - Maruti Suzuki**

Maruti Suzuki seeks to be a public company, so it needs to take care of everyone. Not only are they fully dedicated to customers, but also to communities surrounding facilities. As part of the community development program, Maruti Suzuki identified their needs through official surveys, one contact, and outreach to leaders. Its CSR programs address social issues at the local and national levels in order to develop social programs that are scalable, effective and sustainable that will have a clear impact for future generations.

**Community Development:** The company is committed to improving the welfare of the community through the implementation of social projects in the villages and communities.

**a) Water and Sanitation:** Based on local needs and in consultation with the community, the company will implement projects to improve the availability of clean drinking water, modernize solid and liquid waste management facilities, establish useful rural assets, and support economically weaker households to build local latrines to reduce open defecation. The company will complement these efforts with community-led awareness campaigns and initiatives to manage these assets and maintain benefits.

**b) Education:** In partnership with the local community and government education department, the company will modernize the infrastructure of government schools and focus on improving the overall learning and development of students and young people in communities. The company will provide scholarships to outstanding students from disadvantaged and economically vulnerable communities to help them pursue higher education and vocational and vocational training. The company will also provide scholarships to orphaned children as a result of road accidents to support their education and training.

**c) Health:** The company will assess the health care needs of the community and implement projects to provide health care facilities.

### **II - Wipro**

Wipro Cares is a non-profit organization working with our communities nearby on education issues for disadvantaged groups, primary health care, children with disabilities and the environment. In addition, confidence also works to rehabilitate affected communities in the long term after natural disasters. Areas of focus and scope of work are:

- **Education** - support direct access to educational opportunities for disadvantaged children
- **Children with disabilities** - Supports the educational and rehabilitation needs of children with disabilities
- **Primary health care** - Working with partners to provide quality health care services to disadvantaged communities around our sites and in disadvantaged remote areas. Build community capacity in terms of higher awareness and develop a higher degree of self-reliance to meet their primary health care needs
- **Community environment** - Work on environmental projects that directly benefit disadvantaged communities. Examples include: (i) social forestry in rural areas that provide livelihood opportunities for poor farmers; and (ii) social welfare initiatives and improved working conditions for waste pickers in the urban waste area
- **Disaster rehabilitation** - work to rehabilitate affected communities in the long run after a natural disaster

### **III - Procter & Gamble**

Shiksha, a leader in P & G, CSR is an integral part of the global charity program - Living, Learning and Prosperity. Now in its eighth year, Shiksha has so far assisted 280,000 children who are denied access to their right to education. WFP has built and supported more than 140 schools throughout India, in partnership with NGOs such as Round Round India (RTI), Save the Children (STC), the Welfare Welfare Association (AWWA), the Waves Welfare Association (NWWA) , And others. Shiksha started research by P & G India which revealed education as the most concern for consumers and looking for a simple way to contribute. Through this vision based on P & G, Shiksha was launched in 2005 to enable consumers to contribute to the cause of educating disadvantaged children through simple brand choices. 22 crore towards helping children on their way to better

education. This is the result of the support provided by our consumers who participated in the Shiksha movement by buying P & G's commercial marks for the quarter, enabling P & G to contribute part of the sales towards the cause.

#### Shiksha's NGO Partners

Shiksha's vision is to help India get 100% of Chiccha someday and is working to achieve this vision in partnership with NGOs such as Save the Children India, AWWA, NWWA) and the Indian Round Table Association (RTI), among others. Shiksha's NGO partners focus on the critical approach to education. The NGO Round Table focuses on building educational infrastructure and supporting schools across India. Save the Children focuses on the girl child by supporting Kasturba. Gandhi Balika Vidyalayas, AWWA and NWWA NGOs that serve the unique educational needs of children with different capacities for families of naval officers and the military.

#### IV - Godrej Consumer Products

##### Good & Green CSR Policy

By 2020, we aspire to create a more employable Indian workforce, build a greener India, and innovate for 'good' and 'green' products. The Godrej group's Good & Green goals for 2020 are:

**1. Employability:** Train 1 million rural and urban youth on skills that enhance their chances of obtaining potential algorithm projects. India has 600 million people under the age of 25, of which only 80 million (13%) are unable to work. Recognizing the seriousness of this problem, we focused the project on building the capacity and skills of the diverse target groups of rural youth to women to make them workable and to improve their potential and potential gain.

**2. Greener India:** Achieving zero waste in landfill, carbon neutrality, positive water balance, 30% reduction in energy consumption and increasing use of renewable energy sources through green India projects.

**3. Brighter Giving:** Good & Green's Corporate Social Responsibility (CSR) policy contributes to the Group's overall objectives by adopting projects at the intervention thresholds set forth in Schedule VII of the Companies Act, 2013. In addition to Good & Green's objectives, from time to time, we undertake additional CSR under Table VII, Like:

- **Education:** Good and fair education for different age groups and enhancing lifelong learning opportunities for all
- **Environmental sustainability:** water conservation, clean and renewable, waste reduction to landfill, environmental sustainability, environmental balance, conservation of natural resources and pollution reduction
- **Relief funds:** Contribute to government relief funds or any other relief and rehabilitation fund
- **Rural development:** Integrated rural development to improve education, health, livelihoods and environmental conditions in rural and marginalized areas
- **Poverty and hunger:** supporting poverty and malnutrition projects, promoting preventive health care and sanitation, and safe drinking water
- **Research and technology:** support research institutions and technology incubators in the central government accredited academic and research institutions
- **Gender issues:** support empowerment programs for girls, adolescent girls and women, through education, health and livelihood projects, etc.
- **National heritage:** protection of national heritage, art and culture
- **Sports:** promoting sport in all its forms, geography and all categories, including (but not limited to) sports for persons with disabilities
- **Welfare of the armed forces:** support for veterans of the armed forces, widows of war and their families

#### V - JOHNSON & JOHNSON PRIVATE LIMIED

According to the philosophy of corporate social responsibility and the activities defined by law, read corporate rules (Corporate Social Responsibility Policy), 2014 Johnson & Johnson India will include the following payment areas:

- Saving and improving the lives of disadvantaged women and children.
- Safe motherhood
- Neonatal resuscitation
- Building Health Care Capacity
- Training disadvantaged girls as health care and midwives.
- Diseases prevent disease, reduce stigma and disability
- Awareness and prevention of HIV / AIDS
- Responsibilities of the community
- Disaster relief

Under the umbrella of "India Contributes", and in order to reach the most parts of the country, 13 site committees have been set up across the country to identify and examine projects, and to motivate and educate Jonesons' colleagues on the challenges faced by disadvantaged and disadvantaged individuals in the "community in which we live and work".

### CONCLUSION

In conclusion, good Corporate Governance creates a social responsibilities to the nation. CSR is now a major component of any business for long-term sustainability. At the national level, CSR has attracted considerable attention. Most of the strong economies have adopted CSR principles within their corporate regulatory mechanisms. Based on review, good Corporate Governance initiative of major companies of India with focus on health, education, environment and poverty.

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**CUSTOMERS' GRIEVANCES AND REDRESSAL MECHANISM OF SELECTED LIFE INSURANCE COMPANIES**

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**ABSTRACT**

*The life insurance industry of India has 23 licenses -holders running their business in this sector. The Life Insurance Corporation of India (LICI), which is the only player in the public sector, the remaining area is covered by the 22 private sector companies. IRDAI has taken initiatives to provide effective grievance handling machinery to address the grievances of policyholders. This paper examines the regulations and guidelines framed by IRDAI for effective grievance handling and the study would provide some insights into the areas, specifically procedure for grievances redressal mechanism and status of grievances in public and private life insurance companies.*

*Index terms: Life Insurance Corporation, Grievance Cell, Policyholders and the Insurance Regulatory and Development Authority (IRDA).*

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**INTRODUCTION**

In an insurance industry, the Consumer Affairs Department of IRDA handles policyholders' (insurance consumers) grievances. The Grievance Cell looks into the complaints from policyholders against life and non-life insurance companies. 'Grievance' is the last word any businessman wants to hear. A grievance without resolution leads to dissatisfaction beyond control. The redressal of customer grievances is a pre-requisite for ensuing long term relationship with customers and customer loyalty in service industry like insurance. Life insurance contract is a long term contract between the life assured and insurance company. Both the parties are bound to fulfill obligations lies with them. An efficient insurer is one who has an effective mechanism not only for providing excellent service but for redressing the complaints of customers.<sup>1</sup>

**REVIEW OF LITERATURE**

**Jimin Hong & S. Hun Seog (2018)<sup>2</sup>** we analyze the effects of life insurance settlement on insurance contract design, the insurer's profit and welfare. Policyholders face not only mortality risks but also heterogeneous liquidity risks which lead the policyholders to surrender or settle the policies. It is assumed that the insurer cannot discriminate policyholders based on liquidity risks, and that no cost is incurred in surrender and settlement. We characterize the conditions for the endogenous existence of a settlement market, and find that the settlement market, if it exists, raises insurance premium. This finding is in contrast with most of the existing studies reporting that settlement never has a positive effect on welfare. In the competitive insurance market, welfare always decreases.

**OBJECTIVES OF THE STUDY**

- To examine the procedure for grievances redressal mechanism of selected life insurance companies.
- To analyze the classification of complaints of public and private life insurance companies.

**METHODOLOGY OF THE STUDY**

The present study is secondary data. The secondary data was collected from annual reports of office of the governing Body of Insurance Council, IRDA and Life Insurance companies, Books, journals and website information. I have selected three companies are, LIC of India, SBI, Reliance Bajaj Alliance and HDFC Life Insurance Company. In order to analyze the data and draw conclusions on this study, various statistical tools like average, standard deviation, coefficient of variance have been used for analysis.

**PERIOD OF THE STUDY**

The study period for secondary data is ten years starting from 2013-14 to 2016-18.

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<sup>1</sup> shakeel-Ul-Rehman, D. I. (2012). Consumers' Grievance Redressal System in the Indian Life Insurance Industry - An Analysis. *South Asian Academic Research Journals*, 2 (6), 215-227.

<sup>2</sup> Seog, J. H. (2018). Life Insurance Settlement and the Monopolistic Insurance Market. *Insurance : Mathematics & Economics*, 81, 36-50.

**LIMITATIONS OF THE STUDY**

The study is confined only to Grievance Redressal of the Health (general) insurance customers in an Indian Health (General) insurance industry.

**PROCEDURE FOR GRIEVANCES REDRESSAL MECHANISM OF LIFE INSURANCE CORPORATION OF INDIA (LIC)**

The Corporation has Grievance Redressal Officers at Branch/ Divisional/ Zonal/ Central Office to redress grievances of customers. For ensuring quick redressal of customer grievances the Corporation has introduced Customer friendly Integrated Complaint Management System through our Customer Portal (website) which is <http://www.licindia.in>, where a registered policy holder can directly register complaint/ grievance and track its status. Customers can also contact at e-mail id [co\\_crmgrv@licindia.com](mailto:co_crmgrv@licindia.com) for redressal of any grievances.

In case the customer is not satisfied with the response or do not receive a response from us within 15 days, then the customer may approach the Grievance Cell of the IRDAI through any of the following modes:

- Calling Toll Free Number 155255 / 18004254732 (i.e. IRDAI Grievance Call Centre)
- Sending an email to 1
- Register the complaint online at <http://www.igms.irda.gov.in>
- Address for sending the complaint through courier / letter: Consumer Affairs Department, Insurance Regulatory and Development Authority of India, 9th Floor, United India Towers, Basheerbagh, Hyderabad – 500 029, Andhra Pradesh.
- Sending the complaint by Fax to 040-66789768

Claimants not satisfied with the decision of death claim repudiation have the option of referring their cases for review to Zonal Office Claims Dispute Redressal Committee or Central Office Claims Dispute Redressal Committee. A retired High Court/ District Court Judge is member of each of the Claims Dispute Redressal Committees. For redressal of Claims related grievances, claimants can also approach Insurance Ombudsman who provides for low cost and speedy arbitration to customers.

**PROCEDURE FOR GRIEVANCES REDRESSAL MECHANISM OF SBI LIFE INSURANCE COMPANY**

- In case the Policyholder has any query or complaint/grievance, he/she may approach the Company's Servicing Branch, as stated in the First Premium Receipt issued to the Policyholder or the nearest SBI Life office.
- In case the Policyholder is not satisfied with the decision of the above office, or has not received any response within 10 days, he/she may contact the following official for resolution:

Head Client Relationship,

SBI Life Insurance Company Limited

Central Processing Centre,

Kapas Bhawan, Sector – 10,

CBD Belapur

Navi Mumbai-400 706

Telephone No.: +91 - 22 – 6645 6241 Fax No.: +91 - 22 – 6645 6655

E-mail Id: [info@sbilife.co.in](mailto:info@sbilife.co.in)

- In case the Policyholder is not satisfied with the decision/resolution of the Company, he/she may approach the Insurance Ombudsman if such grievance pertains to:
  - i) Insurance claim that has been rejected or dispute of a claim on legal construction of the Policy
  - ii) Delay in settlement of claim
  - iii) Dispute with regard to premium
  - iv) Non-receipt of insurance document

- The Central Government has established an office of the Insurance Ombudsman for redressal of grievance or complaint with respect to Life Insurance Policies. The addresses of the Insurance Ombudsman and the Redressal of Public Grievances Rules, 1998, are, available on the website of IRDA, <http://www.IRDAIndia.org> and in our website <http://www.SBILife.co.in>. The address of the ombudsman at Mumbai is:

Office of the Insurance Ombudsman (Maharashtra and Goa)

3rd Floor, Jeevan Seva Annexe,

S.V. Road, Santa Cruz (W),

Mumbai – 400 054.

Telephone No.: +91 – 22 – 2610 6928 Fax No. : +91 – 22 – 2610 6052

E-mail: [ombudsmanmumbai@gmail.com](mailto:ombudsmanmumbai@gmail.com)

- The complaint to the Ombudsman should be made in writing, duly signed by the complainant or by his legal heirs, with full details of the complaint and the contact information of complainant.
- As per provision 13(3) of the Redressal of Public Grievances Rules 1998, the complaint to the Ombudsman can be made only if:-
  - i) The grievance has been rejected by the Grievance Redressal Machinery of the Company
  - ii) The complaint was made within a period of one year from the date of rejection by the Company Dispute with regard to premium
  - iii) If the complaint is not simultaneously under any litigation.
- The list of addresses of insurance ombudsman has been enclosed along with this document.

#### **PROCEDURE FOR GRIEVANCES REDRESSAL MECHANISM OF RELIANCE LIFE INSURANCE COMPANY**

The Grievances Redressal Mechanism, which is approved by the board of directors of RNLIC, is displayed at our branches, printed on the policy documents dispatched to every policyholder and published on our website and will be in effect for all customer interactions pertaining to redressal policyholder's grievances.

- If you are dissatisfied with any of our services, please feel free to contact us –
  - 24 hours contact centre: 30338181 (Local call charges apply) & 1800 300 08181(Toll free) or Email: [rlife.customerservice@relianceada.com](mailto:rlife.customerservice@relianceada.com) OR
  - Contact the Customer Service Executive at your nearest branch (this is a link for branch location details) of the Company OR
  - Write to

Reliance Life Customer Care

Reliance Life Insurance Company Limited

H Block, 1st Floor, Dhirubhai Ambani Knowledge City

Navi Mumbai, Maharashtra 400710. India

- If your complaint is unresolved for more than 10 days,
  - Please contact our Branch Manager, who is also the Local Grievance Redressal Officer at your nearest branch.
- If you are unhappy with the solution offered,
  - Write to Head of Customer Care at [rlife.headcustomercare@relianceada.com](mailto:rlife.headcustomercare@relianceada.com) or at the address mentioned above.
- If you are still not happy with the solution offered,
  - Write to our Grievance Redressal Officer, Head of Legal & Compliance at [rlife.gro@relianceada.com](mailto:rlife.gro@relianceada.com) or at the address mentioned above.

If the issues remain unresolved; a further reference may be made to the Insurance Ombudsman in terms of Rule 12 & 13 of the Redressal of Public Grievance Rules, 1998.

**PROCEDURE FOR GRIEVANCES REDRESSAL MECHANISM OF BAJAJ ALLIANZ LIFE INSURANCE COMPANY**

- In case you have any query or complaint/grievance, you may contact the Grievance Officer of any nearest Customer Care Centre at Branch Office of the Company during the Company's office hours from 9 am to 6 pm. Alternatively, you may communicate with the Company

By post at: Customer Care Desk,

Bajaj Allianz Life Insurance Company Ltd.,

GE Plaza, Airport Road, Yerawada, Pune - 411006

By Phone at: Toll Free No. 1800 209 7272

By Fax at: 020-6602-6789

By Email: [customercare@bajajallianz.co.in](mailto:customercare@bajajallianz.co.in)

- In case you are not satisfied with the resolution provided to you by the above office, or have not received any response within 10 days, or you have any suggestion in respect of this Policy or on the functioning of the office, you may contact the following official for resolution:

Grievance Redressal Officer,

Bajaj Allianz Life Insurance Company Ltd. rd

3 Floor, Bajaj Finserv, Survey No: 208/1-B, Behind Weik Field IT Park,

Viman Nagar, Pune – 411014

Toll. No: 1800- 233- 7272 | Fax: (+91 20) 40111502

Email ID: [customercare@bajajallianz.co.in](mailto:customercare@bajajallianz.co.in)

- If Policyholder is not satisfied with the response or does not receive a response from the Company within fifteen (15) days, he may approach the IRDAI Grievance Cell Centre (IGCC) on the following contact details:

By Phone: TOLL FREE NO: 155255

By Email: [complaints@irda.gov.in](mailto:complaints@irda.gov.in)

By post at: Consumer Affairs Department

Insurance Regulatory and Development Authority of India

9<sup>th</sup> floor, United India Towers, Basheerbagh, Hyderabad – 500 029, Andhra Pradesh

By Fax at: +91- 40 – 6678 9768

**PROCEDURE FOR GRIEVANCES REDRESSAL MECHANISM OF HDFC LIFE INSURANCE COMPANY**

- The customer can contact us on the below mentioned address in case of any complaint/ grievance:

Grievance Redressal Officer

HDFC Standard Life Insurance Company Limited

11<sup>th</sup> Floor, Lodha Excelus, Apollo Mills Compound,

N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra - 400011

Helpline number: 18602679999 (Local charges apply)

E-mail: [service@hdfclife.com](mailto:service@hdfclife.com)

- All grievances (Service and sales) received by the Company will be responded to within the prescribed regulatory Turnaround Time (TAT) of 14 days.
- Written request or email from the registered email id is mandatory.

- If required, we will investigate the complaints by taking inputs from the customer over the telephone or through personal meetings.
- We will issue an acknowledgement letter to the customer within 3 working days of the receipt of complaint.
- The acknowledgement that is sent to the customer has the details of the complaint number, the Policy number and the Grievance Redressal Officer's name who will be handling the complaint of the customer.
- If the customer's complaint is addressed within 3 days, the resolution communication will also act as the acknowledgment of the complaint.
- The final letter of resolution will offer redressal or rejection of the complaint along with the reason for doing the same. .
- The following is the escalation matrix in case there is no response within the prescribed timelines or if you are not satisfied with the response. The number of days specified in the below- mentioned escalation matrix will be applicable from the date of escalation.<sup>1</sup>

| Level  | Designation                                   | Response Time   |
|--|---|-----------------|
| 1st Level  | Sr.Manager - Customer Relations               | 10 working days |
| 2nd Level (for response not received from Level 1)   | Associate Vice President - Customer Relations | 10 working days |
| 3 rd Level (for response not received from Level 2)  | Sr. Vice President – Customer Relations       | 5 working days  |
| Final Level (for response not received from Level 2) | Principal Grievance Redressal Officer         | 3 working days  |

You are requested to follow the aforementioned matrix to receive satisfactory response from us

- If you are not satisfied with the response or do not receive a response from us within 14 days, you may approach the Grievance Cell of the Insurance Regulatory and Development Authority of India (IRDAI) on the following contact details:

IRDAI Grievance Call Centre (IGCC) TOLL FREE NO: 155255

Email ID: complaints@irda.gov.in

Online- You can register your complaint online at <http://www.igms.irda.gov.in/>

### ANALYSE THE CLASSIFICATION OF COMPLAINTS IN PUBLIC AND PRIVATE LIFE INSURANCE COMPANIES

The life insurance complaints has separated in unfair business practice, policy serving, Proposal processing, Unit Linked Insurance Plan related complaint, Claims like death claim and survival Claim and any other complaints.

#### Classification of Complaint for Life Insurance Corporation of India (LIC)

| Years   | Classification of Complaints |                  |                 |              |                     |              |          |
|---------|------------------------------|------------------|-----------------|--------------|---------------------|--------------|----------|
|         | Unfair Business practice     | Policy Servicing | Claims          |              | Proposal Processing | ULIP related | Others   |
|         |                              |                  | Survival Claims | Death Claims |                     |              |          |
| 2013-14 | 2538                         | 32266            | 12717           | 2029         | 4970                | 1477         | 17055    |
| 2014-15 | 2500                         | 40447            | 16183           | 2244         | 5040                | 965          | 17905    |
| 2015-16 | 2363                         | 40268            | 15063           | 1706         | 4174                | 689          | 16681    |
| 2016-17 | 1891                         | 31865            | 11865           | 1723         | 3232                | 627          | 13547    |
| 2017-18 | 1215                         | 13855            | 7635            | 1587         | 1575                | 250          | 4667     |
| Mean    | 2101.4                       | 31740.2          | 12692.6         | 1857.8       | 3798.2              | 801.6        | 13971    |
| SD      | 558.5493                     | 10824.79         | 3319.131        | 270.6505     | 1442.187            | 455.6016     | 5456.091 |
| CV      | 26.57987                     | 34.10435         | 26.15013        | 14.56833     | 37.97028            | 56.83653     | 39.05297 |
| CAGR    | -0.13699                     | -0.15555         | -0.09701        | -0.04795     | -0.20533            | -0.29901     | -0.22832 |

Source: Consumer Affairs Annual Booklet

<sup>1</sup> <http://www.policyholder.gov.in/uploads/CEDocuments/HDFC%20Standard%20Life%20Ins%20Co%20Ltd.PDF>

It is observed from the above table classification of complaint in Unfair Business practice mean value is 2101.4 and the Standard Deviation value is 558.5493 and Co-variance is 26.57987 and then the Compound Annual Growth Rate is negative value 0.13699 followed by Policy Servicing mean value is 31740.2 and the Standard Deviation value is 10824.79 and Co-variance value is 34.10435 and then the Compound Annual Growth Rate is negative value-0.15555. Then the CAGR of survival and death claim, proposal processing, ULIP related and other complaints value is negative.

#### Classification of Complaint for SBI Life Insurance Company

| Years   | Classification of Complaints |                  |                 |              |                     |              |          |
|---------|------------------------------|------------------|-----------------|--------------|---------------------|--------------|----------|
|         | Unfair Business practice     | Policy Servicing | Claims          |              | Proposal Processing | ULIP related | Others   |
|         |                              |                  | Survival Claims | Death Claims |                     |              |          |
| 2013-14 | 8333                         | 935              | 1160            | 85           | 7611                | 259          | 298      |
| 2014-15 | 8285                         | 1036             | 1423            | 89           | 4734                | 231          | 263      |
| 2015-16 | 5765                         | 930              | 1054            | 150          | 3942                | 145          | 287      |
| 2016-17 | 3841                         | 1009             | 938             | 178          | 3146                | 58           | 221      |
| 2017-18 | 3040                         | 1060             | 949             | 161          | 2642                | 41           | 272      |
| Mean    | 5852.8                       | 994              | 1104.8          | 132.6        | 4415                | 146.8        | 268.2    |
| SD      | 2451.218                     | 58.99576         | 199.3582        | 42.82873     | 1955.364            | 98.43881     | 29.626   |
| CV      | 41.88112                     | 5.935187         | 18.04473        | 32.29919     | 44.28911            | 67.05641     | 11.04623 |
| CAGR    | -0.18264                     | 0.025413         | -0.03936        | 0.13627      | -0.19072            | -0.30833     | -0.01809 |

Source: Consumer Affairs Annual Booklet

It is observed from the above table classification of complaint in Unfair Business practice mean value is 5852.8 and the Standard Deviation value is 2451.218 and Co-variance is 41.88112 and then the Compound Annual Growth Rate is negative value -0.18264 followed by Policy Servicing mean value is 994 and the Standard Deviation value is 58.99576 and Co-variance value is 5.935187 and then the Compound Annual Growth Rate value is 0.025413. Then the CAGR of survival and death claim, proposal processing, ULIP related and other complaints value is negative i.e. -0.19072, -0.30833, -0.01809.

#### Classification of Complaint for Reliance Life Insurance Company

| Years   | Classification of Complaints |                  |                 |              |                     |              |          |
|---------|------------------------------|------------------|-----------------|--------------|---------------------|--------------|----------|
|         | Unfair Business practice     | Policy Servicing | Claims          |              | Proposal Processing | ULIP related | Others   |
|         |                              |                  | Survival Claims | Death Claims |                     |              |          |
| 2013-14 | 16401                        | 1065             | 833             | 251          | 2521                | 313          | 459      |
| 2014-15 | 25999                        | 879              | 665             | 538          | 1761                | 283          | 534      |
| 2015-16 | 19899                        | 1171             | 1127            | 455          | 1151                | 146          | 814      |
| 2016-17 | 9620                         | 1434             | 1304            | 272          | 912                 | 132          | 350      |
| 2017-18 | 2491                         | 383              | 962             | 127          | 738                 | 52           | 205      |
| Mean    | 14882                        | 986.4            | 978.2           | 328.6        | 1416.6              | 185.2        | 472.4    |
| SD      | 9114.424                     | 392.5007         | 248.8608        | 165.5998     | 728.6929            | 109.5523     | 227.5682 |
| CV      | 61.24462                     | 39.79123         | 25.44069        | 50.39556     | 51.43957            | 59.15351     | 48.17278 |
| CAGR    | -0.31404                     | -0.18498         | 0.029215        | -0.12738     | -0.21784            | -0.30162     | -0.14889 |

Source: Consumer Affairs Annual Booklet

It is observed from the above table classification of complaint in Unfair Business practice mean value is 14882 and the Standard Deviation value is 9114.424 and Co-variance is 61.24462 and then the Compound Annual Growth Rate is negative value -0.31404 followed by Policy Servicing mean value is 986.4 and the Standard Deviation value is 392.5007 and Co-variance value is 39.79123 and then the Compound Annual Growth Rate is negative value -0.18498. Then the CAGR of survival and death claim, proposal processing, ULIP related and other complaints value is negative.

#### Classification of Complaint for Bajaj Allianz Life Insurance Company

| Years | Classification of Complaints |                  |          |       |                     |              |        |
|-------|------------------------------|------------------|----------|-------|---------------------|--------------|--------|
|       | Unfair Business              | Policy Servicing | Claims   |       | Proposal Processing | ULIP related | Others |
|       |                              |                  | Survival | Death |                     |              |        |

|         | practice |          | Claims   | Claims   |          |          |          |
|---------|----------|----------|----------|----------|----------|----------|----------|
| 2013-14 | 21745    | 1805     | 7739     | 2238     | 829      | 2385     | 351      |
| 2014-15 | 43930    | 1107     | 3693     | 777      | 570      | 1817     | 420      |
| 2015-16 | 17143    | 417      | 871      | 108      | 185      | 831      | 240      |
| 2016-17 | 12182    | 373      | 794      | 129      | 167      | 461      | 189      |
| 2017-18 | 3278     | 90       | 299      | 52       | 45       | 30       | 199      |
| Mean    | 19655.6  | 758.4    | 2679.2   | 660.8    | 359.2    | 1104.8   | 279.8    |
| SD      | 15198.73 | 694.3953 | 3127.231 | 930.067  | 328.3127 | 973.4964 | 101.3445 |
| CV      | 77.32519 | 91.56056 | 116.7226 | 140.7486 | 91.40109 | 88.11517 | 36.22034 |
| CAGR    | -0.31506 | -0.45102 | -0.47833 | -0.52877 | -0.44162 | -0.5832  | -0.10729 |

Source: Consumer Affairs Annual Booklet

It is observed from the above table classification of complaint in Unfair Business practice mean value is 19655.6 and the Standard Deviation value is 15198.73 and Co-variance is 77.32519 and then the Compound Annual Growth Rate is negative value -0.31506 followed by Policy Servicing mean value is 758.4 and the Standard Deviation value is 694.3953 and Co-variance value is 91.56056 and then the Compound Annual Growth Rate is negative value -0.45102. Then the CAGR of survival and death claim, proposal processing, ULIP related and other complaints value is negative i.e. -0.47833, -0.52877, -0.44162, -0.5832, -0.10729.

#### Classification of Complaint for HDFC Life Insurance Company

| Years   | Classification of complaints |                  |                 |              |                     |              |          |
|---------|------------------------------|------------------|-----------------|--------------|---------------------|--------------|----------|
|         | Unfair Business practice     | Policy Servicing | Claims          |              | Proposal Processing | ULIP related | Others   |
|         |                              |                  | Survival Claims | Death Claims |                     |              |          |
| 2012-13 | 6388                         | 451              | 709             | 217          | 622                 | 67           | 193      |
| 2013-14 | 41672                        | 3268             | 2888            | 298          | 2698                | 637          | 941      |
| 2014-15 | 25697                        | 1648             | 1885            | 377          | 1783                | 267          | 557      |
| 2015-16 | 9283                         | 375              | 547             | 114          | 852                 | 47           | 295      |
| 2016-17 | 6388                         | 451              | 709             | 217          | 622                 | 67           | 193      |
| Mean    | 17885.6                      | 1238.6           | 1347.6          | 244.6        | 1315.4              | 217          | 435.8    |
| SD      | 15533.88                     | 1252.248         | 1014.669        | 98.69296     | 909.2001            | 251.3961     | 319.2353 |
| CV      | 86.85132                     | 101.1019         | 75.29452        | 40.34872     | 69.11967            | 115.8507     | 73.25271 |

Source: Consumer Affairs Annual Booklet

It is observed from the above table classification of complaint in Unfair Business practice mean value is 17885.6 and the Standard Deviation value is 15533.88 and Co-variance is 86.85132 and then the Compound Annual Growth Rate value is 0 followed by Policy Servicing mean value is 1238.6 and the Standard Deviation value is 1252.248 and Co-variance value is 101.1019 and then the Compound Annual Growth Rate value is 0. Then the CAGR of survival and death claim, proposal processing, ULIP related and other complaints value is 0.

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**STRATEGIES FOR SUSTAINING THE ORGANIZATIONAL CULTURE AND ITS DIMENSIONS**

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**ABSTRACT**

*Every organization develops and maintains a unique culture, which influence the way employees think, feel and behave in the workplace. People join or get associated with various organizations in their lives. Every organization has a culture. Culture matters as we experience its effects on performance every day. The complexity of environmental changes forces firms to monitor the culture of their organization regularly by a variety of methods to gain a truer picture for their development process. The culture of an organization is a vital factor in the retention of employees. This paper will examine the strategies for sustaining the organizational culture.*

*Keywords: Organizational Culture, Strategies, Employees, Dimensions*

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**INTRODUCTION**

Organizational culture is a persistent force. It is a shared set of customs, beliefs, and practices, sometimes stated as “the way we do things.” It is revealed in little things, such as where staff sit at the assembly table for meetings or whether they wear suits or jeans to work. Humans grow-up within a culture, that is part of day to day living and this is established firmly in them and they can identify with it. It is basically the atmosphere in which the employees function to the best of their abilities and it effects every aspect of an organization. It is reflected in the way people perform tasks, set objectives and manage the necessary resources to achieve objectives. Culture can be significant liability for an organization, if it is not in arrangement with mission, core values and workingscheme.

**REVIEW OF LITERATURE**

**Harrison, Price, and Bell (1998)** declare that the consequence of deep-level comparison on group consistency is positive, while that of deep-level dissimilarity on group cohesion is negative. Workers may have reasons to spoil in conflict with one another that may or may not be connected to work at all.

**Kochan et al., (2002)** said that employees initiated to realize and identify demographic differences such as gender alterations affecting the working relationship between employees and their performance. Moreover, Jehn and Werner (1993) measured that variety had a important effect on group processes, but the nature of the effect be contingent on whether the diversity was in gender or not.

**Adler (2002)** recognized five fundamental strategies for the administration of traditional diversity in the workplace; namely, cultural dominance, cultural avoidance, cultural compromise, cultural synergy, and cultural housing. Of these, the most desirable strategy is of cultural synergy, which is acquired through placing value in other cultures without giving up self-culture

**Erasmus (2007)** contended that workforce diversity makes conflict and doubt in the workforce as management, on average, is not skilled in the punishment of diversity management. As a result, managers do not know how to efficiently practice diversity. Employees still make decisions to break the rules with their conduct when it comes to diversity

**(Sungjoo and Rainey, 2010).** Work force diversity is announced as an opportunity for organizations to become more creative, to reach previously untapped markets, and in general to achieve and uphold a competitive advantage.

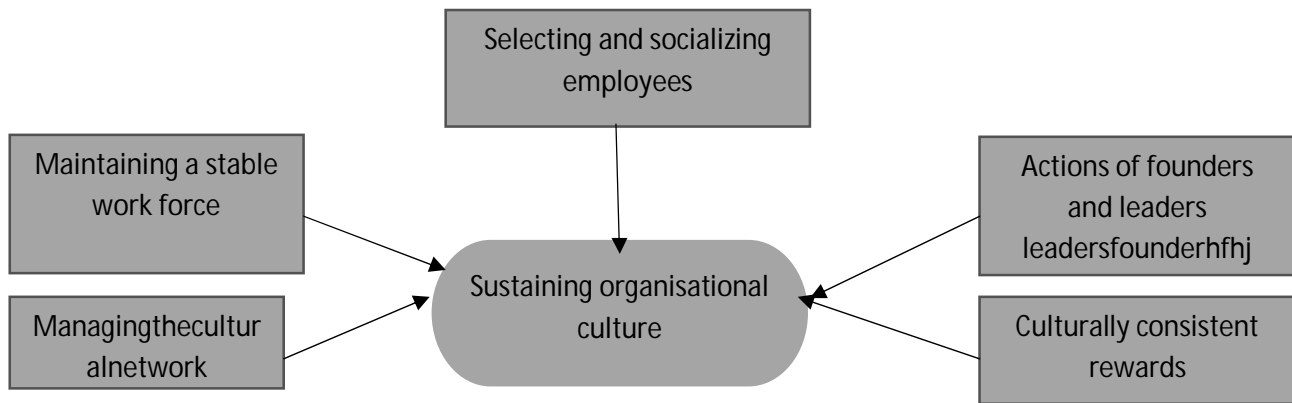
**Al-Jenaibi (2011)** planned the impact and scope of cultural diversity in organizations in the UAE. The study showed most of the employees agreed that group work with culturally diverse people helps “to overcome cultural differences through shared experiences when working within a team”

**(Amadeo, 2013)** with the increase of globalization in the world, cultural diversity in the workplace has grown as a trend. “Cultural diversity is when differences in race, ethnicity, language, nationality, religion and sexual orientation are signified within a community”

**CONCEPTUAL FRAMEWORK****STRATEGIES FOR SUSTAINING CULTURE**

There are strategies which organizations employ to sustain their cultures. Such approaches include selecting and socializing employees, actions of founders and leaders. Culturally consistent rewards, managing the cultural network and maintaining stable work force.





### Selecting and Socializing Employees

The main purpose of hiring process is to hire the right people for right jobs. When, for a given job, two or more candidates, with identical skills and abilities are available, final selection is influenced by how well a candidate fits into the organization. by identifying candidates who can jell with the organizational culture, selection helps sustain culture considerably.

### Actions of Leaders and Founders

We have already stated the role of leaders in creating organizational culture. We emphasize that the founders and leaders play a significant role in sustaining organizational culture. Founders are visionaries whose energetic style provides a powerful role model for others to follow.

### Culturally Consistent Rewards

Rewards systems strengthen corporate culture when they are consistent with cultural values. Aggressive cultures might offer more performance-based individual incentives, whereas paternalistic cultures would more likely offer employee assistance programs, medical insurance and other benefits that support employee well-being.

### Managing the cultural network

Organizational culture is learned, so an effective network of cultural transmission is necessary to strengthen the firm in underlying values and beliefs. The cultural network exists through the organizational grapevine.

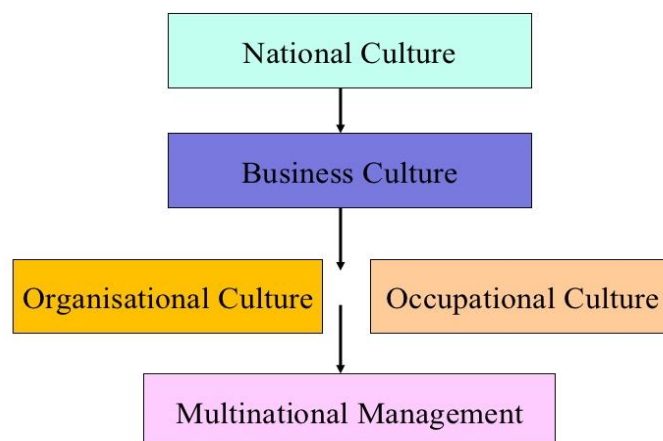
### Maintaining a stable workforce

An organization's culture is embedded in the minds of its employees. The director of B-school in Bangalore was aghast when a retired employee appeared one morning at his (Director's) office and told him that he came to the school because he dreamt about it the previous night.

## CULTURAL DIMENSIONS

Over the years a number of organizational cultures have been identified. The more interesting of these are as follows:

**Levels of Culture:** Three levels of culture may be distinguished. These include the national culture, business culture, and occupational and organizational cultures. All these levels influence the effectiveness of management.



Levels of Culture in Multinational Management

**National culture:** national culture has considerable significance for international managers who need to manage cultural diversities.

**Business culture:** business culture represents norms, values, and beliefs that pertain to all aspects of doing business in culture. Business culture influences all aspects of work and organisational life. This includes how managers select and promote employees, lead and motivate their subordinates, structure their organisations, select and formulate their strategies and negotiate with other business people.

**Occupational culture:** occupational culture are the norms, values, beliefs, and expected ways of behaving of people in the same occupational group, the regardless of which organisation they work for.

**Organisation culture:** as stated earlier, represents beliefs, attitudes and norms that knit an organisation together and are shared by its employees, as opening case reveals.

Levels of culture can be presented differently as below.

- Authoritarian and participative cultures
- Dominant and sub cultures
- Strong, weak, and unhealthy cultures

**Authoritarian and participative cultures:** In the authoritarian culture, power is concentrated on the other leader and obedience to orders and discipline are stressed.

Participative cultures trend to emerge where most organisational members are professionals or themselves as equals.

**Dominant and sub cultures:** A dominant culture, normally referred to as the organisational culture, reflects core values that are shared by the majority of the employees.

Sub cultures are found in departments, divisions, and geographical areas, and reflect the common problems or experiences of employees who reside in these areas.

**Strong, weak, and unhealthy cultures:** A strong culture will have a significant influence on employee behaviour manifesting in reduced turnover, lower absenteeism, increased cohesiveness, and positive attitudes.

A weak culture is characterised by the presence of several sub cultures, sharing of few values and behavioural norms by employees, and existence of few sacred traditions.

Unhealthy culture is also characterised by an aversion to looking outside the organisation for superior practices and approaches.

## **CONCLUSION**

Every employee working in the organization has its own norms and values and different belief towards organization where he/she works. Sometimes organizational culture differs from employee norms and values so whenever any employee join the organization, he/she should allow herself that either they can come up with them or not. Organizational culture has strong and deep impact on the performance of the employees, that help employees to be satisfied themselves with organization and that cause to improve in the productivity of employee's. It is quite easy to develop your organization in a positive way when any employee is on the right path. It is viewed in this study that strong organizational culture is very helpful for the new employees to adopt the organizational culture and to get the competitive advantage.

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**ROLE OF WTO IN GOBAL BUSINESS****Dr. A. Morarji<sup>1</sup> and M. Saranyamani<sup>2</sup>**Professor<sup>1</sup>, Department of Corporate Secretaryship, Alagappa University, Karaikudi  
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**ABSTRACT**

*The WTO gives the regular institutional system to the lead of exchange relations among its individuals in issue identified with the understandings consulted amid the Uruguay round. It screens and manages, through its different bodies, the usage, task and organization of the different assentions. It additionally directs the exchange strategy survey system and the debate settlement component. Moreover, the WTO gives the gathering to assist exchanges between its individuals, in issue, managed under the assentions and furthermore for the most part concerning their multilateral exchange relations.*

*Keywords: WTO, Uruguay Round, Exchange, Assentions, Issue*

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**INTRODUCTION**

World Trade association (WTO) has a vital task to carry out in the universal exchange, worldwide financial matters, political and lawful issues emerging in the universal business in view of the globalization. WTO has risen as a world's most dominant foundations for decreasing exchange related hindrances between the nations and opening new markets. World Trade Organization is the main International overseeing body that World Trade Organization replaces General Agreement on Tariffs and Trade (GATT) which was made in the year 1948. The objective of WTO is to give a reasonable stage to its part nations to help in administrations like fares, imports and direct their business in a tranquil way. The favorable position to the nations being individuals in the WTO is that that they lower exchange related boundaries among themselves. In as opposed to this the nations which are not part of WTO must arrange exchange related assentions autonomously with their exchanging accomplices. Practically all the modern and farming segments have been influenced in terms of professional career obstructions between the nations. USA considered being a facilitated commerce nation on account of less number of exchange obstructions for bringing in, yet at the same time it has many.

**RESEARCH METHODOLOGY**

The paper depends on the auxiliary information and the data is recovered from the web by means of diaries, inquire about papers and master conclusions on a similar topic.

**THE ROLE OF WTO IN GOBAL BUSINESS****1) ADMINISTERING WTO TRADE AGREEMENTS**

Worldwide tenets of exchange give confirmation and solidness. Purchasers and makers realize they can appreciate secure supplies and more prominent decision of the completed items, segments, crude materials and administrations they use. Makers and exporters realize remote markets will stay open to them.

This prompts an increasingly prosperous, tranquil and responsible monetary world. Choices in the WTO are normally taken by agreement among all individuals and they are sanctioned by individuals' parliaments. Exchange gratings are diverted into the WTO's debate settlement process, where the attention is on translating assentions and responsibilities and how to guarantee that individuals' exchange approaches acclimate with them. That way, the danger of debate overflowing into political or military clash is diminished.

By bringing down exchange hindrances through arrangements among part governments, the WTO's framework likewise separates different obstructions among people groups and exchanging economies.

At the core of the framework – known as the multilateral exchanging framework – are the WTO's understandings, arranged and marked by a vast larger part of the world's exchanging economies, and confirmed in their parliaments.

These assentions are the legitimate establishments for worldwide exchange. Basically, they are contracts, ensuring WTO individuals critical exchange rights. They additionally tie governments to keep their exchange arrangements straight forward and unsurprising which is to everyone's advantage.

The understandings give a steady and straightforward system to help makers of merchandise and enterprises, exporters and shippers lead their business.

The objective is to enhance the welfare of the people groups of the WTO's individuals.

## 2) FORUM FOR TRADE NEGOTIATIONS

An essential job of the World Trade Organization is to house dealings on exchange advancement. WTO individuals have a standing order for multilateral arrangements under the Doha Development Agenda, and are likewise seeking after plurilateral exchanges where subsets of the enrollment are keen on explicit regions of advancement, for example, data innovation and natural merchandise.

### Doha Development Agenda

The WTO Doha Round of dealings was propelled at the fourth WTO Ministerial Conference in Doha, Qatar, in November 2001. One of the major targets of the Doha Round is to enhance the exchanging prospects of less created nations, hence it is frequently alluded to as the Doha Development Agenda. The command for the exchanges given by the Doha clerical presentation included dealings on agribusiness, administrations, non-horticultural market get to, exchange related parts of protected innovation rights, WTO rules (e.g., hostile to dumping, endowments), debate settlement, exchange help, and exchange and condition, among others. The more extensive Doha Development Agenda arrangements have been at an impasse since 2011. Be that as it may, at the ninth Ministerial Conference in Bali in December 2013, individuals finished up exchanges on a key component of the Doha Development Agenda – a concession to exchange assistance.

### Information Technology

The WTO Information Technology Agreement (ITA) is a tax progression understanding concurred in 1996 through an "Ecclesiastical Declaration on Trade in Information Technology Products", marked at first by 29 WTO individuals; cooperation in this plurilateral assention has reliably expanded from that point forward. It requires every member to tie and dispose of traditions obligations for all items determined in the Agreement, and the tax end is actualized on a most-favored country (MFN) premise. The ITA covers countless innovation items, including PCs, media transmission gear, semiconductors, semiconductor assembling and testing hardware, programming, logical instruments, and their parts and extras.

In light of new innovative advancements, some WTO individuals concurred that the present item inclusion of the ITA ought to be extended and in June 2012, a casual procedure was started towards propelling dealings for the development of the item inclusion of the ITA. This procedure prompted the foundation of a specialized working gathering of Members, including Canada, meeting outside of the formal structure of the WTO ITA Committee. Exchanges to extend the ITA are progressing.

### Environmental Goods

On July 8, 2014, Canada joined various other World Trade Organization individuals, including China, the European Union, Japan and the United States, in propelling exchanges toward another WTO plurilateral concurrence on ecological products. Such an assertion would wipe out duties on a scope of natural products. Progressively open exchange would make new markets for Canadian makers, give motivating forces to Canadian organizations to grow new items to secure the earth, and increment the accessibility and lower the expense of natural products for Canadians. For more data, including occasional updates and explanations by Minister Fast, if you don't mind see the Plurilateral Environmental Goods Agreement.

## 3) HANDLING TRADE DISPUTES

Settling question is the duty of the Dispute Settlement Body (the General Council in another pretense), which comprises of all WTO individuals. The Dispute Settlement Body has the sole specialist to build up "boards" of specialists to think about the case, and to acknowledge or dismiss the boards' discoveries or the consequences of an intrigue. It screens the usage of the decisions and proposals, and has the ability to approve striking back when a nation does not agree to a decision.

First stage: conference (as long as 60 days). Before taking some other activities the nations in question need to converse with one another to check whether they can settle their disparities independent from anyone else. On the off chance that that falls flat, they can likewise ask the WTO executive general to intercede or endeavor to help in some other way.

• Second stage: the board (as long as 45 days for a board to be selected, in addition to a half year for the board to close). On the off chance that interviews come up short, the griping nation can request a board to be named. The nation "in the dock" can hinder the production of a board once, however when the Dispute Settlement Body meets for a second time, the arrangement can never again be blocked (except if there is an agreement against naming the board).

Authoritatively, the board is helping the Dispute Settlement Body make decisions or suggestions. But since the board's report must be dismissed by accord in the Dispute Settlement Body, its decisions are hard to upset. The board's discoveries must be founded on the understandings referred to.

The board's last report should typically be given to the gatherings to the question inside a half year. In instances of direness, including those concerning transitory merchandise, the due date is abbreviated to three months.

The understanding portrays in some detail how the boards are to function. The principle stages are:

Before the first hearing: each side in the question displays its case recorded as a hard copy to the board.

● First hearing: the case for the whining nation and protection: the grumbling nation (or nations), the reacting nation, and those that have declared they have an enthusiasm for the debate, put forth their defense at the board's first hearing.

Rebuttals: the nations included submit composed rejoinders and present oral contentions at the board's second gathering.

● Experts: on the off chance that one side raises logical or other specialized issues, the board may counsel specialists or choose a specialist audit gathering to set up a warning report.

First draft: the board presents the unmistakable (truthful and contention) segments of its answer to the opposite sides, allowing them two weeks to remark. This report does exclude discoveries and ends.

● Interim report: The board at that point presents a break report, including its discoveries and ends, to the opposite sides, allowing them multi week to request an audit.

● Review: The time of survey must not surpass two weeks. Amid that time, the board may hold extra gatherings with the opposite sides.

● Final report: A last report is submitted to the opposite sides and after three weeks, it is flowed to all WTO individuals. On the off chance that the board chooses that the questioned exchange measure breaks a WTO assertion or a commitment, it prescribes that the measure be made to adjust with WTO rules. The board may recommend how this should be possible.

The report becomes a ruling: The report turns into the Dispute Settlement Body's decision or proposal inside 60 days except if an accord rejects it. The two sides can request the report (and at times the two sides do).

#### **4) MONITORING NATIONAL TRADE POLICIES: TPRM**

Observation of national exchange arrangements is an in a general sense vital movement running all through crafted by the WTO. At the focal point of this work is the Trade Policy Review Mechanism (TPRM).

The surveys happen in the Trade Policy Review Body which is really the WTO General Council — including the WTO's full participation — working under uncommon standards and systems. The audits are in this way basically peer-amass evaluations, albeit a significant part of the authentic leg-work is finished by the WTO Secretariat.

##### **Background**

The Trade Policy Review Mechanism was an early outcome of the Uruguay Round, being incidentally settled at the Montreal Mid-Term Review of the Round in December 1988. Augmentation 3 to the Marrakesh Agreement, agreed by Ministers in April 1994, set the TPRM on an unchanging parity as one of the WTO's key limits and, with the entry into intensity of the WTO in 1995, the direction of the TPRM was broadened to cover organizations trade and secured advancement. The goals of the TPRM, as conveyed in Annex 3 of the Marrakesh Agreement, consolidate empowering the smooth working of the multilateral trading structure by updating the straightforwardness of Members' trade procedures.

All WTO Members are subject to study under the TPRM. The Annex arranges that the four Members with the greatest offers of world trade (starting at now the European Union, the United States, Japan and China) be inspected at regular intervals, the accompanying 16 be investigated like clockwork, and others be assessed like clockwork. A progressively drawn out period may be made due with least-made country Members.

In view of a remedy to Annex 3 in July 2017, these study cycles will be three, five and seven years independently, beginning on 1 January 2019.

##### **How the reviews are organized**

Audits are directed by the Trade Policy Review Body (TPRB) based on a strategy articulation by the Member under survey and a report arranged by financial specialists in the Secretariat's Trade Policy Review Division.

The TPRB's discussion is animated by a discussant, chose in advance for this reason.

In setting up its report, the Secretariat looks for the collaboration of the Member, however has the sole obligation regarding the actualities exhibited and sees communicated.

The reports comprise of definite sections analyzing the exchange arrangements and practices of the Member and depicting exchange policymaking foundations and the macroeconomic circumstance; these parts are gone before by the Secretariat's Summary, which abridge the report and introduces the Secretariat's point of view on the Member's exchange strategies. The Secretariat report and the Member's strategy articulation are distributed after the survey meeting, alongside the content of the TPRB Chairperson's Concluding Remarks conveyed at the finish of the gathering.

Much has been composed outside the WTO about the TPRM and increments to the rundown of TPRM-related productions are welcomed.

### **5) WTO TECHNICAL ASSISTANCE AND TRAINING**

The WTO's exchange related specialized help (TRTA) exercises mean to enable creating nations to fabricate their exchange limit with the goal that they can partake all the more adequately in worldwide exchange.

Technical assistance plan 2018-19

The Technical Assistance Plan for 2018-19 intends to help:

Government authorities actualize WTO assentions and make full utilization of individuals' rights

Governments arranging WTO enrollment take an interest in increase exchanges

Members get to the most applicable exchange data with the goal that they can all the more likely implement their rights and commitments

Members of parliament, writers and common society become familiar with WTO exercises

Students and scholastic foundations upheld by the WTO gain a superior comprehension of exchange approach and WTO subjects.

The aim is to strengthen trade capacity in the following areas:

Trade strategy plan and usage

Compliance with WTO commitments

The practicing of WTO rights

WTO-related exchange dealings.

### **Audience**

Specialized help is principally equipped towards government authorities from creating nations, least-created nations, economies on the move and nations during the time spent joining the WTO. The gathering of people can likewise incorporate agents from common society, writers, the scholarly world and the private part.

### **Types of activity**

The WTO sorts out almost 300 specialized help exercises each year, and prepares more than 14,000 government authorities. Most WTO divisions are included with the conveyance of the courses. The preparation exercises incorporate addresses, introductions, round tables, gatherings with specialists, reenactment activities and participation at WTO gatherings. The courses incorporate two-month Advanced Trade Policy Courses (ATPCs) held in Geneva, provincial Intermediate Trade Policy Courses, local classes, workshops and preparing occasions on explicit points. WTO individuals are welcome to submit composed solicitations for national specialized help to the Secretariat, in view of their individual needs.

The TA exercises give distinctive dimensions of preparing around 66% of exercises are held at the national dimension and 33% at the provincial dimension. Most by far of exercises address explicit WTO assentions, for example, the General Agreement on Services, the Agreement on Sanitary and Phytosanitary Measures, and the Technical Barriers to Trade Agreement, and manage a scope of exchange issues, for example, showcase get to, traditions valuation, tenets of cause, protected innovation, improvement and exchange assistance.

General WTO-related specialized help and preparing

Specialized and propelled specialized help and preparing

Academic help

Trainee projects and entry level positions

**Geographical coverage**

A key target is to keep up a geological parity in the conveyance of exercises yet extraordinary consideration is given to Africa, which profits by more than 33% of exercises yearly. About 15 percent of the WTO's specialized help is outfitted towards Asia and the Pacific, while different exercises are separated between Latin America, Central and Eastern Europe and Central Asia, Arab nations and the Middle East, and the Caribbean.

Need is given to least-created nations (LDCs), which are related with more than 45 percent of all specialized help conveyed, incorporating national exercises held in LDCs, provincial courses, workshops and preparing exercises to which LDCs are welcomed. A few items are explicitly or to a great extent outfitted towards LDCs, for example the three-week Introduction Courses for LDCs, "Geneva Weeks" for WTO individuals who don't have lasting missions in Geneva, the Reference Centers Program, and the Netherlands Trainee Program (NTP). LDCs get need consideration in the choice procedure for Geneva-based instructional classes.

**Budget**

The usage costs for the two-year TA Plan are around CHF 18 million. Some CHF 4.5 million is financed from the WTO's standard spending plan and CHF 14 million is given from outside this financial plan. Commitments from WTO individuals have declined as of late inferable from the progressing effect of the ongoing worldwide budgetary emergency. One of the key difficulties for the WTO is to build the strength of financing for specialized help exercises just as to guarantee the convenient receipt of commitments.

**Partnerships**

The WTO works together with countless associations and different bodies to convey specialized help exercises. For instance, the WTO takes an interest in occasions sorted out by, or in participation with, different organizations and in exchange related gatherings, symposia and abnormal state gatherings. The WTO additionally makes utilization of the administrations of outside advisors who take an interest in the conveyance of provincial and national exercises and who embrace look into. Additionally, college teachers and analysts frequently take an interest as speakers.

**Global Trade-related Technical Assistance Database (GTAD)**

The database was created to trade data between accomplice organizations on the endeavor of specialized help exercises. The GTAD incorporates national and territorial activities just as instructional classes of a worldwide sort attempted since January 2010. The web crawler empowers the client to seek through different parameters, for example, recipient nation or exchange classification.

**6) THE WTO AND OTHER ORGANIZATIONS**

The WTO works with various other worldwide legislative associations under the pennant of "soundness", a term beginning in the "Choice on accomplishing more noteworthy intelligence in worldwide financial strategy making", which pastors concurred in Marrakesh, April 1994. However, cognizance in worldwide financial approach making goes much past the WTO's formal and explicit participation courses of action with the IMF and the World Bank. To be sure, it is currently perceived that the WTO framework is just a single piece of an a lot more extensive arrangement of universal rights and commitments that quandary WTO Members. The WTO keeps up broad institutional relations with a few other universal associations; there are approximately 140 worldwide associations that have spectator status in WTO bodies. The WTO additionally takes an interest as spectator in crafted by a few universal associations. Altogether, the WTO Secretariat keeps up working relations with just about 200 universal associations in exercises running from measurements, explore, standard-setting, and specialized help and preparing. In spite of the fact that the degree of such collaboration differs, coordination and cognizance between crafted by the WTO and that of other global associations keeps on developing to help Members in the task of their financial approaches.

**The mandate**

The craving of WTO part nations for more prominent lucidness in worldwide monetary strategy making through nearer participation between the WTO, World Bank and IMF is communicated in various Agreements, Ministerial Declarations and Decisions:

General Council choice, November 1996, "Understandings between the WTO, IMF and World Bank"

"Understanding building up the WTO from the Uruguay Round Final Act" Browse or download from the Legal writings portal. See article III.

Summary of the "Choice on accomplishing more noteworthy rationality in worldwide monetary approach making" from the Uruguay Round Final Act.

"Revelation on the Contribution of the World Trade Organization to Achieving Greater Coherence in Global Economic Policymaking", from the Uruguay Round Final Act. Peruse or download on the legitimate writings door.

"Assertion on the Relationship of the World Trade Organization with the International Monetary Fund", from the Uruguay Round Final Act. Peruse or download on the lawful writings portal.

Organizations mentioned in WTO legal texts

Collaboration between these associations and the WTO is explicitly ordered in WTO understandings, pastoral announcements or choices, or General Council choices

Codex Alimentarius (joint FAO/WHO)

Food and Agriculture Organization (FAO)

International Labour Organization (ILO)

International Monetary Fund (IMF)

International Plant Protection Convention (IPPC) (hosted by FAO)

International Telecommunication Union (ITU)

International Trade Centre (ITC)

Organization for Economic Cooperation and Development (OECD)

United Nations (UN)

United Nations Conference on Trade and Development (UNCTAD)

United Nations Environment Programme (UNEP)

World Bank (WB)

World Customs Organization (WCO)

World Health Organization (WHO)

World Organization for Animal Health (OIE)

World Intellectual Property Organization (WIPO)

## **CONCLUSION**

It is where the individual's nation comes and offers their complaints so as to determine their concern identified with global exchange. The nations settle on their choice through different chambers and councils, whose enrollment comprises of all WTO individuals. The framework advances harmony, by dealing with debate of individuals' nations. It gives progressively selection of items and characteristics and invigorates financial development.

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**THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY FOR AN INCLUSIVE GROWTH IN THE CIVILIZATION “THE PRACTICE OF CSR IN THE SITUATION OF RURAL DEVELOPMENT IN INDIA”**

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**ABSTRACT**

*In a corporate organization, there are many stakeholders, one of them are business houses or companies. These business houses contribute significantly to its pool that affect their internal stakeholders and support the initiatives of the company openhandedly. In India companies like Tata and Birla are practicing Corporate Social Responsibility (CSR) for decades, long before CSR become a popular base. There are many areas where companies have played a key role in addressing issues of education, health, environment and livelihoods through their statements of CSR throughout the country. According to the United Nations and the European Commission, CSR leads to the triple bottom line concept, environmental protection and the fight for social justice. It is important that the business sector identify, promote and implement effective policies and practices to achieve triple bottom line.*

*The study shows that all companies surveyed show to have Policies and practices of CSR. Most companies design and implementation of CSR initiatives in area of work covers the entire community. It has also been exposed during the cram that many companies support and execute CSR initiatives through Human Resources Dept., institution or association with NGOs, but there is lack of fully fledged CSR dept. CSR initiatives undertaken by the Indian companies for rural development have a positive effect and impact on the overall development of society and business.*

*Keywords: CSR Initiatives, Social justice, Policies & Practices, Development.*

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**INTRODUCTION**

Undoubtedly, the vast majority of the poor in India, people living in villages and towns are in a state of neglect and underdevelopment with the poor people. The problems of hunger, ignorance, poor health, high mortality and illiteracy are more serious in rural areas than in urban areas. Not only due to require of equipment resources but also because of the defects in our planning venture development and model. India has the potential to meet these challenges in rural areas. However, the government efforts may not be sufficient to provide basic services to its citizens. It is more and more recognized that progress and interests of civilization is not only the liability of government but many other stakeholders must be concerned to achieve the development goal. The corporate sector has a vital role to play in ensuring that the private investment flows in these rural areas that have been left out of the development process till date and work for sustainable development of rural areas in general.

Companies are considered as part of society and therefore act in a socially responsible manner beyond economic performance (KPMG and ASSOCHAM, 2008). As a result of this change in title from business of profit with social responsibility, many companies are supporting the concept of CSR. It is essentially a concept whereby companies decide voluntarily to contribute to society, making it better and cleaner in terms of environment (European Commission, 2001). In general, CSR is considered "The commitment of businesses to contribute to sustainable development as well as to economic development by working with employers, their families, local community and society as a whole and improve their quality of life, so that it is good for business and for development. A widely cited definition by the World Business Council for Sustainable Development the state of development that "Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of workers and their families and the local community and society at large." (WBCSD, 1999).

Therefore, the meaning of CSR is two folded. First, it presents an ethics an organization should practice for its internal as well as external employees. On the other hand, it means that the responsibility of an organization for the environment and the society in which it operates. CSR is considered as a mean or a medium by which companies give something back to society. Its mission is to provide innovative solutions for the social and environmental challenges. But the challenge for business and professional community is to identify priorities and areas of CSR interventions that are important in the context of pastoral development segment.

Therefore, it is necessary to study and understand business, how companies are using their CSR initiatives or what is the impact of social responsibility activities in the socio-economic development of the rural population.

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## **II. LITERATURE REVIEW**

Historically, CSR has been seen as Events for Developed countries. Having a large body of literature has amalgamated the practices of CSR in the context of developed countries. However, the literature on the theory and practice of CSR in developing countries remains low (Belal, 2001). Only a few studies are carried out which have examined the CSR practice in India. Various investigations in different parts and time period and also in classical literature of India have shown the practice of CSR in various Corporations in India. In long back in chronological times Kautilya's 'Arthashastra' talk about merchants doing trading and also having responsibilities towards the local civilization. Although in ancient India, the responsibilities towards betterment of society were voluntary and not mandatory.

In 1987, Khan and Atkinson conducted a study. It was a proportional study on the attitudes of social responsibility management in India. The study shows that most India executives have initiated CSR actions for companies because they believe that it is also company's responsibilities that companies should share their profits not only with their shareholders and employees but also the suppliers, society and the state. A survey by TERI Europe and ORG- MARG was conducted in 2001 in many cities. In India it was revealed that more than 60% of people feel that the giant business families and corporations should take up these issues and help in bridging the gap between the rich and the poor, reduction in the cases of violation human rights, social problems to be resolved and increase in economic stability.

### **Some of the surveys as**

- ☐ Corporate Participation in Social Development India by Partners in Change (PIC).
- ☐ Changing the image: 2001 State of Corporate Responsibility Survey of India by the Tata Institute of Energy Research Institute (TERI).
- ☐ Corporate Social Responsibility: Perceptions of Indian business by the Centre for Social Markets (CSM).
- ☐ Corporate Social Responsibility Survey 2002, India presented by the British Council, UNDP.
- ☐ The Confederation of Industries in India and Price Water House Coopers has also featured the emerging CSR trends in India and also involvement of India in the CSR processes.

The conclusions of the all these surveys emphasized that in India philanthropy is the most important driver of CSR for the companies, followed by the brand image construction, followed by employee morale and ethics. Centre for Social Markets, a study in 2003 found out that social responsibility was seen as a significant business within the business without taking into consideration the firm size, age, sector, location, primary object or status.

A study on Iron Ore Mining in Goa, which shows many large mining companies have their own initiatives towards the Environment and Social Development. However, a formal CSR policy and planning. Chauhan and Verma (2007) found that roads, pollution and power are the major concern for businesses CSR activities in relation to the area in which they are least concern that is communication and education. Another study by Dutta and Durgamohan (2009) found that education holds the first place followed by health and social causes. Similarly, a survey conducted by CSM (2001), presented the various motives of the companies taking up various parameters of CSR. The different dimensions of CSR, which companies value and are assessed upon are national wealth, employment, environmental services social and health programs, including literacy. In a survey of CSR reporting in Asia Chapple and Moon (2005) found that nearly three quarters of large companies in India have shown in their reports and brochures to have been following the policies and practices of CSR. The EU Green Paper (2001) identifies two main scope of business accomplishment of CSR in an internal measurement in-company and external measurement of stakeholder contribution.

The above result of different specialists in different points in time implies that they have rightly observed CSR performance in India and have highlighted the CSR practices for business in India. But there has been small notice to this aspect measured rural enterprises people as stakeholders? If so, what CSR initiatives are taken to rural development? How does the company entities to implement development programs with their business strategy? Finally, what is the impact of CSR programs in socio-economic development of rural areas population in India?

## **III. THE STUDY**

In an effort to understand the answers to the above issues, this study was conducted in 12 public and private companies in India.

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**IV. THE OBJECTIVES OF THE STUDY**

1. To study and know the CSR initiatives are adopted by some public and private India enterprises for pastoral development;
2. To review the approach to work and businesses. And their mode of action for the implementation implementation of CSR initiatives;
3. To assess the impact of socio-economic measures on CSR development of rural India.

**V. METHODOLOGY**

To study the above objectives, 12 public & private India companies/firms were selected. While selection of these companies, efforts were made to select a variety of sectors for a full & clear image. Therefore, the selected companies are

from different industrial sectors such as pharmaceuticals (Mr. Reddy's Lab, Lupin, India), metals (Vedanta aluminum Ltd.), Tata Steel, Steel Authority of India Limited (SAIL), financial institution (ICICI Bank), chemicals & fertilizers (Ambuja Cement Ltd), InfoTech (Satyam PC), consumer durables (Coca-Cola India, Inc.) power (NTPC), Oil & Petroleum (India & Bharat Petroleum), Oil, manufacturing company (Asian Paints). The methodology of this study was based on internet-based research; literature review seems to understand the practice of CSR in the context of rural development India. For purposes of study of CSR initiatives for rural areas improvement have been separated into five areas: livelihoods, healthiness, education, environment and infrastructure.

**LIMITATIONS**

Main constraint of this cram is that only a small sample of Indian business companies is selected. The collection of information of the written literature is from the various business websites and non-primary data was collected from the internet and journals available.

**VI. RESULTS AND DISCUSSION**

CSR policies and initiatives The study shows that all the companies presented themselves as they have the CSR policies and also practices CSR. A large number of companies reflect their CSR thinking or public, ecological and moral objectives & their undertaking, visualization documents, secretarial policy and plans. However, even if surveyed firms have CSR policies and objectives but there was no relationship between the agenda of the company and the Millennium Development Goals (MDGs). The companies adopting CSR initiatives for rural development in India. From the study it can also be noted that Education is the priority for many companies which were taken, followed by health and improving standards of livelihoods.

About 50% of respondents take CSR initiatives in the infrastructure sector & 57% in the environment which includes events like tree planting, the awareness creations among the masses on the environmental issues, etc. It is also surprising that even if the central govt. & the State govt. have separate departments for education and health sector, these two are the priority issues for the firms and are often under the banner of CSR in both public and private companies in India.

**BUSINESS FOCUS ON THE WORK AND MODES OF ACTION**

As a principle for CSR is concerns, it appears that most companies have CSR adopted in its global business approach plan. Therefore, they managed to fulfill the objectives of both, the companies and social development. This way of running is not first and foremost relief, wellbeing and services, but is strong growth oriented, which will have long term settlement. Vedanta Aluminium Ltd, Tata Steel, Dr. Reddy's Laboratories Lupin India, Ambuja Cement Ltd., Bharat Petroleum, SAIL believes in human and social sustainable development through poverty reduction and capacity building of the rural population. One such instance in this deference is Lupin India Ltd, which launched a project to sustainable growth in 154 villages across Rajasthan. The plan in place of providing gradual assistance which does not result in an effective fight against development of poverty can be seen as adequate or comprehensive action plan for future prospects because it includes a regular farm income production, agricultural land cultivation and orchards programs, forage conservation systems, sericulture and recycling programs of water, establishing of medical centers and initiating educational programs for adult literacy and credit policies and systems. Moreover Aditya Birla Group, Asian Paints believe in the concept of guardianship management and the focus of CSR is still at work welfare oriented. CSR interventions for IT companies are philanthropic in nature, as contribution in the form financial aids, assets and facilities.

The study shows about corporate companies are implementing CSR rural development programs through four types of institutions. They are:

1. CSR activities carried out directly by the company
  - (i) By the division of CSR itself.
  - (ii) Through Human Resources Department.
  - (iii) Manufacturing plant unit should be in local management.
2. CSR activities carried out by a foundation.
3. CSR activities implemented through partnership with NGO's, academic institutions, international organizations and agencies.
4. CSR activities implemented through partnership with the government.

The study shows that out of the 12 companies surveyed, 2 companies implemented their CSR initiatives directly by divisions dedicated to CSR that are responsible for planning and executing these activities. In 2 other companies, CSR initiatives are applied through local management of the factory and Human Resources Department (HRD). Many companies as Tata Steel, India's Lupin, NTPC, Dr.Reddy s' Laboratories, Satyam Computers, Ambuja Cement Ltd, establish foundations dedicated to the implementation of CSR rural development initiatives. The above corporate companies are promote the participation of communities in planning and implementing its CSR activities. It is also interesting to note that these foundation which have implemented its programs in collaboration with government departments, are a good example of Private-Public Partnership (PPP). For example, Dr.Reddy ' foundation is in collaboration with the rural development department of the GoI. Similarly Satyam Foundation is also working with Government of Andhra Pradesh (GoAP).

The study also found that four companies who have or do not have their own foundations, are partners with NGOs to implement CSR initiatives. In the agreement for the above, the company provides funds, infrastructure, while NGO provides base level support for implementation of CSR activities. An example is Bharat Petroleum that have tied up with the Gramin Sociel Welfare Shares of the company and the Rural Development Community in Tamil Nadu, Vivekananda Kendra Kalyan Girjana Bhubaneswar (Orissa) to service social welfare at the grassroots level.

### THE IMPACT OF SOCIAL RESPONSIBILITY PROGRAMS IN THE RURAL POOR

The impact of CSR programs resulted in a sample of 12 leading companies in India have been classified in five areas: livelihood, health, education, environment and infrastructure.

**Livelihoods:** The Grameen-LABS is a program implemented by Dr.Reddy ' Foundation in collaboration with rural development Department;. GOI is to provide livelihood to around 35,000 youths in the rural India between the age of 18-25 years in 7 states of India. Outcomes of livelihood support programs by Bharat Petroleum show that SHG members are in the stable income group with INR 2,000 p.m. and members of the banana plantations and poultry are working to earn extra income of INR 7000-8000 p.a.

**Health:** The study shows that many companies organize a series of health camps to create health awareness and education on health on various issues such as vaccination, blood donation, water purification pills, condom distribution etc. Till 2007-08, SAIL conducted 267 health camps for the benefit of over 4.5 lakh people. In Lanjigarh (Orissa) Vedanta Aluminium Ltd. covers 53 villages with 32,000 inhabitants, providing free medicine, treatment and referral service their mobile units. Tata Family Health Initiatives Foundation (TSFIF) has established "Lifeline Express" Wheeled Hospital has helped more than 50,000 patients in Jharkhand, Orissa and Chhatisgarh.

**Education:** Aditya Birla Group provided education to 62,000 children living near the plants by running 26 formal schools. SAIL maintains approximately 138 schools in outlying areas of SAIL plants/units in the country where more than 80,000 children receive education (Kumar 2008). Asian Paints establishment of "Shree Gattu Vidyalaya", a school providing education to 25,000 children from class I to X, by this effort formal education have reached to rural areas and helped the children there. Similarly, Satyam Computers have developed 170 modern schools benefiting 40,000 rural children. Schools "Project Smiles" with the support of Coca-Cola India Inc. was started and completed in 20 schools. It left its impact on the lives of approximately 10,000 children.

**Environment:** Towards Sustainable Development and management of natural resource, many companies have been working on tree plantation, watershed management, and waste management, wind firms etc; for example, SAIL has planted 13.5 million trees in and around the SAIL plants or mines till date. Watershed Development Programme by Ambuja Cement Ltd has covered 9,000 hectares in the last four years. Sustainable water

management continues to lead the priority list of Coca-Cola India Inc. So far, the company water initiatives have improved the lives of more than 1,40,000 people & raise awareness on the essential importance of water conservation among the millions of people.

**Infrastructure:** Of the 12 companies surveyed only six companies offer different infrastructures facilities such as construction and road development, installation of electricity, water, sanitation, schools, health Center, community, etc.

Welfare Lupin Human welfare and Research Foundation initiated the scheme "Apna Gaon Apna Kam". This scheme covered 38,000 villages in Rajasthan and almost all areas have the school buildings, potable water, ponds, connecting roads, community centers, and electricity. SAIL has participated in the construction and repair of 33 km of pucca roads per year, providing nearly two lakh people in 435 villages to access to the modern infrastructure each year. In Andhra Pradesh in collaboration with Hyderabad Urban Development Agency, local rural communities and NGOs, Coca-Cola India has helped 16 thousand people of "Saroor Nayar" to restore existing "check dam" the water catchment areas.

## **VII. CONCLUSION**

The conclusion of this study is that social responsibility is considered as an important activity issue of Indian companies, regardless of size, sector, objective of the company, the location of the company. Because Indians companies are realizing that without socio-economic development of local communities, there cannot be stability and sustainability of economic activities to compete with the global market.

The study shows that all companies surveyed appear to have Policies and practices of CSR. Most companies design and implementation of CSR initiatives in area of work covers the entire community. A wide range CSR initiatives ranging from income generation subsistence activities, the health checkup camps, mobile health services, education, adult literacy, agriculture development, provision of drinking water management and natural resources development, infrastructure services are developed by these companies. Although way of working is switching from philanthropic development to sustainable welfare but there was no association between company CSR Agenda and the Millennium Development Goals. It has also been revealed during the study that many companies promote and implement CSR initiatives through Human Resources Department, foundation or collaboration with NGOs, but there is lack of fully fledged Corporate Social Responsibility department. CSR initiatives undertaken by the Indian companies for rural development have a positive effect and impact on the overall development of society and business.

## **VIII. RECOMMENDATIONS**

1. The company must align with the objectives of CSR national targets under the Millennium Development Goals (MDGs).
2. The company must have a division dedicated to CSR well-trained, qualified and experienced professionals from social science or social work Sociology, Rural Development and Development Studies and experience in management for a better planning, implementation and evaluation of CSR initiatives.
3. CSR programs implemented by the Indian companies must be based on felt needs of local population so as their participation in the program can be improved. It is also necessary to create jobs and economic activity in the rural community to uplift the masses.
4. Social audits should be conducted by an external source agency to evaluate the performance of CSR of a Company.
5. The government can encourage the big players of the business world to take into account the ethical, social and environmental issues of the country. The government should play the role of motivator, catalyst, facilitator rather than director of corporate social responsibility
6. An annual report on social responsibility must be prepared to highlight the company commitment to sustainable community development.

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**AN ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY AND FMCG COMPANIES IN CHENNAI CITY**

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**ABSTRACT**

*The Corporate Social Responsibility (CSR) is one emerging concept in India, a concept comparatively new to India, in the companies act 2013 strictly admired to inculcate all companies in CSR activities. CSR has become a fundamental business practice and has gained much attention from the management of large fast moving consumer goods (FMCG) companies. It facilitates the alignment of business operations with social and ethical values. CSR is deemed as a point of convergence of various initiatives aimed at ensuring socio-economic development and uplifted the poor people of the area. Acknowledging the fact that mainstreaming CSR into businesses could be instrumental in delivering societal value, especially in a developing city like Chennai, Trichy, Coimbatore etc., this paper specifically aims at providing an understanding of concept of CSR and analyses the development of CSR activities in Chennai city. It highlights the selected FMCG companies and CSR initiatives in Chennai city. There are several challenges facing CSR in Chennai and the paper provides suggestions to overcome them and accelerate the CSR initiatives in Chennai city.*

*Keywords: Corporate Social Responsibility, CSR activities, FMCG, Socio-Economic Development.*

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**INTRODUCTION**

Many of the leading FMCG corporations across the world had realized the importance of being associated with socially relevant causes as a means of promoting their brands through interrelation among the nearby village people. It stems from the desire to do well and get self-satisfaction in return as well as societal obligation of business. As an engine for social progress, CSR helps companies live up to their responsibilities as global citizens and local neighbors in a fast-changing world. For Indian FMCG businesses CSR can be a source of opportunity, innovation, and competitive advantage while at the same time providing with the opportunity to actively contribute to the sustainable development and upliftment of poor villages. FMCG companies in Chennai have been quite sensible in taking up CSR initiatives and integrating them in their business processes. It has become progressively projected in the Indian corporate setting because organizations have recognized that besides growing their businesses, it is also important to shape responsible and supportable relationships with the community at large in around Chennai.

**STATEMENT OF THE PROBLEM**

In current context CSR is an effective way of achieving and maintaining sound business environment. By carrying out social responsibility the FMCG Company can actually enhance its own economic value and brand image as well as benefits the society. In addition, companies and other organizations are required to have accountability towards stakeholders such as consumers, investors, employees, local residents etc. while utilizing the resources of society. This practice is voluntary in nature though the Indian Government Parliamentary Standing Committee on Finance and companies act 2013 has proposed mandatory corporate social responsibility (CSR) by companies as part of change to companies. The committee has stated that every company having net worth of Rs.500 cr. or more, or a turnover of Rs.1000 cr. or more, or a net profit of Rs.5 cr. or more during a year shall be required to spend every year at least two percentage of the company average net profit towards CSR activities. There are no standard framework and guidelines for CSR practices. Most of the companies are following GRI guidelines but still there is a need to form standard guidelines for CSR practices.

Hence this study has been made an attempt to study an analysis of CSR activities of selected FMCG companies in Chennai city.

**OBJECTIVE OF THE STUDY**

1. To study the CSR activities in FMCG Companies
2. To evaluate the FMCG companies towards CSR activities in Chennai city

**METHODOLOGY**

The present study comprises of both primary and secondary data. The **primary data** is collected by conducting well structured questionnaire based survey from the population of consumers of FMCG products as well as from middle level employees of five selected FMCG companies, viz., ITC, Godrej, Hindustan Unilever, Dabur

India and Colgate, functioning with their operations in Chennai District. **Secondary data** were collected from publications, books, articles in journals, magazines, published and unpublished reports from the companies, annual reports, newspapers, and websites pertaining to corporate social responsibility in India. A well-structured questionnaire instrument is used to collect the data from the sample respondents (consumers and middle level employees of selected FMCG companies). The period of study from 2014 to 2018.

### **SAMPLE AND SAMPLE DESIGN**

The FMCG Sector has total 35 Companies, of which 5 Companies have been listed in Bombay Stock Exchange and National Stock Exchange, Those companies namely (i) ITC, (ii) Godrej, (iii) Hindustan Unilever, (iv) Dabur India and (v) Colgate. Those companies which satisfied the following conditions were selected for the Study

- i. Companies having a continuous data for last 15 years.
- ii. Companies which had a positive net worth throughout the study period
- iii. Companies which had total assets of more than 100 crores.

Five FMCG Companies satisfied all the above parameters. Accordingly, 5 (15%) firms constitute the sample for the study.

### **LITERATURE REVIEW**

1. Jayati Sarkar and Subrata Sarkar (2015) Drawing on existing theoretical and empirical literature on the rationale behind Corporate Social Responsibility (CSR), this paper analyses the potential implications of mandated CSR under the recently enacted Companies Act, 2013 in India on firm incentives, likely responses of corporates that come under the ambit of the law, implications for resource availability and delivery of social goods, and the prospects and challenges of implementing mandated CSR. Insights into these issues are drawn by empirically examining the voluntary CSR behavior of a sample of 500 large companies listed on the Bombay Stock Exchange for the period 2003-2011 that predates the new regulation. The paper argues that notwithstanding the potential economic costs that may accompany mandated CSR, the provisions of the new Act are designed thoughtfully to balance the objectives of the corporation and its shareholders on the one hand and that of the society and its stakeholders on the other. However, addressing the challenges of implementation successfully would determine how far the objectives of the new regulations are met.
2. CSR has been assuming greater importance in the corporate world in 21st century. Indian Government has drafted guidelines for CSR practices, which of late proposed companies to contribute a percentage share towards that cause (CSR). This study compares the CSR activities of Tata Company and ITC Company on different areas i.e. environmental friendliness, social accountability, employee's safety, human rights promotion and healthcare etc. The study also focuses on the reporting methods used by these companies. From this study, it is observed that all the two big private companies of the country are directly engaged in social responsibility in various areas, from innovation in agriculture & education to saving the environment. It is concluded that environment, education, community involvement and health care activities practiced as CSR by both companies.

### **ANALYSIS AND DISCUSSION**

#### **FMCG COMPANIES TOWARDS CSR ACTIVITIES - FACTOR ANALYSIS**

The CSR activities is a service oriented unit it provides facilities to the undeveloped nearby areas. It provides all kinds of services to the CSR, which give satisfaction to them.

There are nineteen measures identified by the researcher and ask the respondents were asked to tick their beneficiaries in the respective column. The researcher has used a multi variant technique by name factor analysis in order to classify the related variables. In this study, the principal component factor analysis method with varimax rotation is used to identify the significance of different variables of the opinions of the beneficiaries towards the CSR activities in around Chennai. The results are shown in Table 1, Kaiser – Meyer – Olkin (KMO) and Bartlett's Test - Factor Analysis

The factor analysis is used to group the factors based on their relevant similarities. In order to access the beneficiaries' opinion CSR activities in Chennai city, the researcher has applied principal component analysis method to group the factors. Principal component method of data reduction, in this method, the proportion of variance of a particular item that is due to common factor is communality.



**TABLE-1: FMCG COMPANIES TOWARDS CSR ACTIVITIES - FACTOR ANALYSIS**

| <b>KMO and Bartlett's Test</b>                   |                    |       |
|--|--------------------|-------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |                    | .921  |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 3.230 |
|  | Df                 | 56    |
|  | Sig.               | .001  |

Source: Primary Data.

Table 1 indicate that the KMO is 0.898 which indicates that the degree of common variance among the variables is quite high, therefore factor analysis can be conducted.

**TABLE-2: FMCG COMPANIES TOWARDS CSR ACTIVITIES - FACTOR ANALYSIS**

| Factors   | Components  |      | Total | % of Variance | Cumulative % |
|---|---|------|-------|---------------|--------------|
| I   | CSR practices of a company contribute to its profits  | .993 | 8.877 | 61.728        | 61.129       |
|   | A high CSR rating for a corporation will make a positive impression on me                                       | .974 |       |               |              |
|   | Corporations are not profit making machines and have a duty/ responsibility towards society                     | .967 |       |               |              |
|   | CSR strategy of a corporation impacts its reputation  | .944 |       |               |              |
| II  | Corporate social responsibility should be completely voluntary-no laws/regulations should govern it             | .811 | 2.228 | 16.307        | 79.546       |
|   | A responsible company is a firm that strictly abides to laws  | .804 |       |               |              |
|   | Responsible business go beyond what is required by law to make a positive impact on society and the environment | .663 |       |               |              |
|   | CSR is an equivalent for philanthropy   | .619 |       |               |              |
| III   | CSR encompasses a set of activities companies carry out independently of their daily business operations        | .821 | 1.022 | 8.886         | 90.442       |
|   | CSR is concept which is more important for companies located in developed than in developing countries          | .611 |       |               |              |
|   | CSR gives a company a distinctive position in the market.   | .800 |       |               |              |
|   | CSR is a waste of time and money  | .621 |       |               |              |
| Extraction Method: Principal Component Analysis.<br>Rotation Method: Varimax with Kaiser Normalization. |   |      |       |               |              |

Source: Primary Data.

Table 2 elucidates that the matrix of common factor analysis, the number factor extracted from the respondents is three. Factors of the ratios are grouped and closely related groups are identified. The last column in the table shows cumulative percentage. The following are the related variables identified and given common name to each group.

**Factor I**

The variables like rate of CSR practices of a company contribute to its profits, (.993), A high CSR rating for a corporation will make a positive impression on me (.974), Corporations are not profit making machines and have a duty/ responsibility towards society (.967), CSR strategy of a corporation impacts its reputation (.944) and soon have the highest significant positive loading and the factor one is characterized as “good quality of services”.

**Factor II**

The second factor includes the variables namely Corporate social responsibility should be completely voluntary- no laws/regulations should govern it (.811), A responsible company is a firm that strictly abides to laws (.804), Responsible business go beyond what is required by law to make a positive impact on society and the environment (.663) CSR is an equivalent for philanthropy (.619), have the highest significant positive loading and the factor two characterized as “Effective CSR services”.

**Factor III**

The third factor consists of the variables like CSR encompasses a set of activities companies carry out independently of their daily business operations (.805), CSR gives a company a distinctive position in the market. (.631) Waste of money and time (.843) has the highest significant positive loading. Factor three is characterized as “Improvement CSR activities”.

It is concluded that there were nineteen factors identified by the researcher for collecting opinion about the CSR activities in Chennai city. Each factor is correlated with common factors. Through the factor analysis all these factors of tourists are brought under three heads namely, good quality services, effective CSR services, and improvement of CSR activities.

**SUGGESTIONS**

In order to ensure that CSR is progressively contributing and benefiting, the following suggestions are given to make CSR initiatives more effective:

1. It is found that there is a need for creation of awareness about CSR amongst the general public to make CSR initiatives more effective
2. CSR is stated that relationship between all kinds of persons i.e stakeholders of the organization, it including the private sector, employees, local communities, the central government or state government and society in general are either not effective or not effectively operational in connection with the CSR domain. Hence researcher suggested that suitable steps to be taken for the issue of structure effective bonds amongst all important stakeholders for the successful implementation of CSR initiatives. End of the result, the long term strategies and supportable perspective on CSR actions should be constructed into the past and future strategies of all the stakeholders should committed towards in CSR initiatives.
3. Allocating finance for treating CSR as an investment from which returns are expected.
4. Monitoring CSR activities and liaising closely with implementation partners such as NGOs to ensure that initiatives really deliver the desired outcomes.
5. The long term standpoint by the all organizations, which incorporates their commitment by both internal and external stakeholders, would be grave to the success of CSR actions and the capability of companies to provide on the goalmouths of their CSR tactic.

**CONCLUSION**

CSR activities is surly about ensuring that the organizations can grow on a bearable basis, at the same time organizations should ensure the fairness to all stakeholders, CSR activities by the companies has come a long way in India as the world. It has successfully interwoven business with social inclusion and environment sustainability. For effective CSR activities to sustainable imitativeness, corporates had been clearly displayed their capacity to make a significant improvement in the society and improve the overall quality of standard life. In the present social situation of the government, facing the difficult one to bring change, as the balance is massive. Organizations have the proficiency, strategic thinking, human power and money to enable wide social changes. Effective relationship between companies, Non- Government Organizations and the central and state governments will place India's social upliftment on a faster track.

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## EXAMPLES OF REFERENCES

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

### • Single author journal article:

Fox, S. (1984). Empowerment as a catalyst for change: an example for the food industry. *Supply Chain Management*, 2(3), 29–33.

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- **Article in newspaper:**

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7. The submission implies that the work has not been published earlier elsewhere and is not under consideration to be published anywhere else if selected for publication in the journal of Indian Academicians and Researchers Association.

8. Decision of the Editorial Board regarding selection/rejection of the articles will be final.



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