



ISSN: 0975-6825

# **INDIAN JOURNAL OF BUSINESS ADMINISTRATION (IJBA)**

A National Peer Reviewed Refereed Journal

Vol. 15 | Issue 1 | January - June, 2022

# EDITORIAL BOARD

## INDIAN JOURNAL OF BUSINESS ADMINISTRATION (IJBA)

### Chief Editor

#### **Dr. Ramesh Kumar Chouhan**

*Head*

Department of Business Administration  
Faculty of Commerce and Management Studies  
Jai Narain Vyas University, Jodhpur (Raj.) 342001  
Website:-[www.busadmjnvu.org](http://www.busadmjnvu.org),  
Email [ID:-headbusadm@gmail.com](mailto:ID:-headbusadm@gmail.com),  
M:- 9413793217, Ph:- 0291 2513004

### Managing Editor

#### **Dr. Ashok Kumar**

*Assistant Professor*

Department of Business Administration  
Faculty of Commerce and Management Studies  
Jai Narain Vyas University, Jodhpur (Raj.) 342001  
Email [ID:-ak.badmin@jnvu.edu.in](mailto:ID:-ak.badmin@jnvu.edu.in), [ashokkumarhatwal@gmail.com](mailto:ashokkumarhatwal@gmail.com),  
M:-9829545411

### Associate Editors

<b>Dr Ravi Kant Modi</b> <i>HOD &amp; Associate Professor</i> Department of EAFM LBS PG College, Jaipur Rajasthan <a href="mailto:dravikantmodi@lbscollege.com">dravikantmodi@lbscollege.com</a> <a href="mailto:ravimodii@gmail.com">ravimodii@gmail.com</a>	<b>Dr. Umaid Raj Tater</b> <i>Assistant Professor</i> Department of Bus. Admin JNV University, Jodhpur Rajasthan <a href="mailto:ut.badmin@jnvu.edu.in">ut.badmin@jnvu.edu.in</a> <a href="mailto:umedtater@yahoo.com">umedtater@yahoo.com</a>	<b>Dr Asha Rathi</b> <i>Assistant Professor</i> Department of Bus. Admin JNV University, Jodhpur Rajasthan <a href="mailto:ar.badmin@jnvu.edu.in">ar.badmin@jnvu.edu.in</a> <a href="mailto:asharathi30@gmail.com">asharathi30@gmail.com</a>
---	--	--

<b>Dr. Ashish Mathur</b> <i>Assistant Professor</i> Department of Bus. Admin JNV University, Jodhpur Rajasthan <a href="mailto:am.badmin@jnvu.edu.in">am.badmin@jnvu.edu.in</a> <a href="mailto:ashishmth@gmail.com">ashishmth@gmail.com</a>	<b>Dr. Manish Vadera</b> <i>Assistant Professor</i> Department of Bus. Admin JNV University, Jodhpur Rajasthan <a href="mailto:mv.badmin@jnvu.edu.in">mv.badmin@jnvu.edu.in</a> <a href="mailto:drmanishvadera@gmail.com">drmanishvadera@gmail.com</a>	<b>Dr. Mangu Ram</b> <i>Assistant Professor</i> Department of Accounting JNV University, Jodhpur Rajasthan <a href="mailto:mr.acc@jnvu.edu.in">mr.acc@jnvu.edu.in</a> <a href="mailto:Bhatia.mram@gmail.com">Bhatia.mram@gmail.com</a>
--	--	--

**EDITORIAL CUM ADVISORY BOARD / REVIEWER BOARD**

<b>Prof. B. S. Rajpurohit</b> Jodhpur, Rajasthan	<b>Prof. RCS Rajpurohit</b> Jodhpur, Rajasthan	<b>Prof. Lalit Gupta</b> Jodhpur, Rajasthan
<b>Prof. Raman Kumar Dave</b> Jodhpur, Rajasthan	<b>Prof. Rajan Handa</b> Jodhpur, Rajasthan	<b>Prof. J. R. Bohra</b> Jodhpur, Rajasthan
<b>Prof. Mahender Singh Rathore</b> Jodhpur, Rajasthan	<b>Prof. Shishu Pal Singh Bhadu</b> Jodhpur, Rajasthan	<b>Prof. J. K. Sharma</b> Jodhpur, Rajasthan
<b>Prof. S. S. Modi</b> Jaipur (Raj.)	<b>Prof. Dunger Singh Kheechee</b> Jodhpur, Rajasthan	<b>Prof. Sunil Mehta</b> Jodhpur, Rajasthan
<b>Prof. Anil Mehta</b> Banasthali	<b>Prof. S. K. Khatik</b> Bhopal (MP)	<b>Prof. G. N. Jakhotiya</b> Jodhpur, Rajasthan
<b>Prof. R. S. Meena</b> Varanasi (UP)	<b>Prof. Jitendra Kumar</b> Haryana	<b>Prof. Vijay Pithadia</b> Amreli
<b>Prof. Mahabir Narwal</b> Haryana	<b>Prof. S. K. Mishra</b> Haryana	<b>Dr. Anil Verma</b> Jodhpur, Rajasthan
<b>Dr. Rajnish Kler</b> New Delhi	<b>Dr. Abhishek Sharma</b> Bareilly (UP)	<b>Dr. Vandana Yadav</b> Jodhpur, Rajasthan
<b>Dr. Sandeep Kumar</b> New Delhi	<b>Mr. Yashpal Meena</b> Jodhpur, Rajasthan	<b>Dr. M. Sree Lakshmi</b> Nalgonda, Telangana
<b>Dr. Surender Singh</b> New Delhi	<b>Dr. O. P. Gusai</b> New Delhi	<b>Dr. Vinod Kumar Dave</b> Jodhpur, Rajasthan
<b>Dr. Neelu Grover</b> New Delhi	<b>Lt. Arjun Singh Choudhary</b> Jodhpur, Rajasthan	<b>Dr. Indu Singh</b> New Delhi

**Statutory Warning :-** No part of this departmental journal may be reproduced or copied in any form or by means (graphic, electronic or mechanical, including photocopying, recording, typing or information retrieval system) or reproduce on any disc, tape, perforated media or any other information storage device etc., without the prior written permission of the publishers. Breach of this condition is liable for legal action at Jodhpur jurisdiction. However, researchers may use any part of this journal in their research work provided that proper citations used in their work and description of such reference /citation is compulsorily required to inform in writing to the publisher within a month of publication/award of research work.

*The Editorial Board of the “INDIAN JOURNAL OF BUSINESS ADMINISTRATION” is not responsible for any kind of views expressed by the authors and reviewers.*

[Website:-www.busadmjnvu.org](http://www.busadmjnvu.org)

[E-mail:-indianjournalbusadmjnvu@gmail.com](mailto:indianjournalbusadmjnvu@gmail.com)

***Indian Journal of Business Administration***  
***(National Peer Reviewed Refereed Journal)***

The Indian Journal of Business Administration a national peer reviewed refereed journal is an official organ of the Department of Business Administration, Faculty of Commerce and Management Studies, Jai Narain Vyas University, Jodhpur (Raj.) publishing in the month of June and December every year. Since from starting issue of our departmental journal in year 1994-95, we aims at bringing and providing the surface to original studies - papers, research notes, reviews of literature - in different areas of Commerce & Business Administration, made by academicians, practitioners and independent thinkers having genuine concern with the theory and practice of Business Administration, for the purpose of fuller appreciation of the manifold dimensions of the subject that may lead to more effective and meaningful management of operations. Previously, it was yearly journal of Department but due to the huge academic demand the frequency of our journal has been changed as two issues for every year in the month of June and December and now it called as Biannual (half-yearly) journal.

The findings, interpretations and conclusions expressed in this journal are solely those of the authors and should not be attributed, in any manner, to the Department of Business Administration.

Material in this journal is copyrighted. Requests for permission to reproduce should be addressed to the 'Chief Editor'. All communications, including contributions, literature for review and correspondence regarding subscription, advertisements, etc. should be addressed to the **Chief Editor, The Indian Journal of Business Administration, Department of Business Administration, Jai Narain Vyas University, Jaswant Campus, Jodhpur- 342001 (INDIA).**

**Periodicity :** Biannual (June and December)

**Publication Fee:- Nil**

<b>Annual Subscription:-</b>	<b>INDIAN</b>	<b>FOREIGN</b>
<i>Individual</i>	2,000/-	\$100
<i>Institutional</i>	3,000/-	\$200

Yearly subscription order should be accompanied by Bank Draft in favor of the 'Chief Editor, The Indian Journal of Business Administration', C/o The Head, Department of Business Administration, Jai Narain Vyas University, Jaswant Campus, Jodhpur-342001 (India), payable at Jodhpur or by online fund transfer only after taken the written permission from Chief Editor, IJBA.

To be cited as IJBA Vol:-15, Issue:- 01 Jodhpur (Raj.) India.

Published by :

**Dr Ramesh Kumar Chouhan**

Chief Editor, IJBA

& Head, Department of Business Administration, FCMS,

JNV University, Jodhpur (Raj.)

0291- 2513004

## A PROFILE OF THE DEPARTMENT

The Jai Narian Vyas University was established on 2nd June 1962 as 'The University of Jodhpur'. Later on, it was renamed as 'Jai Narain Vyas University.' The University has a residential character. The erstwhile 'Faculty of Commerce' of the university was restructured into four separate teaching departments, viz The Department of Accounting, The Department of Business Finance and Economics, The Department of Business Administration, and the Department of Management Studies in the year 1990 with a new umbrella name of 'Faculty of Commerce and Management Studies.'

The Department of Business Administration came into existence on 3<sup>rd</sup> Feb.1990 and since then it has grown both academically and professionally, With Prof. P.N. Saxena as its first and founder Head of the Department, we have had a long journey of two decades. Prof. Saxena is both satisfied and happy to see the Department growing for his successors Dr. D.P.Ghiya, Mrs. Asha Malhotra, Dr. A. B. L. Mathur, Dr. R. R. Lodha, Dr. L. C. Bhandari, Dr. Rajan Handa, and Dr R.C.S. Rajpurohit, all have taken the department to greater heights over the years.

The Department offers M.Com., Ph.D, and D.Litt in Business Administration. At the undergraduate level, the Department offers B.Com (Hons.), B.Com and BBA Degree courses in combination with sister departments. Two separate Post Graduate Diploma courses, namely Post Graduate Diploma in Marketing and Sales Management and Post Graduate Diploma in Human Resource Management have been successfully running on self-financing basis. Both the diplomas have proved quite useful as professional job oriented courses for past many years.

The M.Com. Program offers specialization in four different areas: The Human area, The Marketing area, The Finance area, and The Institutional area. Currently, teaching is provided in Marketing and Human areas. The Department is staffed with and enriched by Seven Assistant Professors. Since the creation of the Department to till date, regular research as good number of PhD degrees have been awarded and numerous of PhD researches are in progress thereby usefully contributing to Research for advancement of knowledge in the domain of business administration. Several of our graduates have been very well placed in different organizations both in India and Abroad. The Department is also contributing by working on major and minor Research projects undertaken by its faculty members. The department successfully organized various UGC Refresher Course, Workshops, National Seminar and Conferences sponsored by UGC, New Delhi.

I must say that we in the department have always worked with a team-spirit and therefore whatever we have achieved so far, it is the gainful result of that. For all communications, following is the address of the Department:

***Dr. Ramesh Kumar Chouhan***

*Head of the Department & Chief Editor, IJBA*

*The Department of Business Administration Faculty of Commerce & Management  
Studies Jai Narain Vyas University, Jaswant Campus, Jodhpur 342 001 Rajasthan,  
India*



**Dr. Ramesh Kumar Chouhan**

Chief Editor, IJBA & Head,  
Department of Business Administration, FCMS  
Jai Narain Vyas University, Jodhpur (Raj.)

### **MESSAGE**

Our Department of Business Administration is committed to not only the cause of imparting quality education in commerce & management stream but also committed to the cause of promoting high quality research work in commerce and management areas through quality research papers published in “Indian Journal of Business Administration (IJBA)”, a National Peer Reviewed Refereed Journal that contributes towards enlightening our researchers in the times to come.

The current issue of our departmental journal in my ex-officio capacity as the Chief Editor presents an academically proficient blending of research papers. The field of commerce and management is witnessing rapid changes and challenges due to dynamic changes at global level which is forcing and presenting new challenges & opportunities to academicians, researchers and practicing managers to keep themselves updated on the latest advancements in commerce & management area. Our journal acts as a connecting link to promote these exchanges of ideas among the scholars and practicing managers. The Journal explores subjects of interest to academicians, practitioners and others involved in the field of business. Our goal is to promote awareness, provide a research outlet for the students and faculty, and increase educational exchange. I believe the spectrum of papers in this issue will prove its worth to the readers.

I feel a sense of satisfaction in bringing out this current volume of our journal and we could not have reached this milestone without contributions and cooperation received at all levels of the editorial efforts and authors who have contributed to our growing and continued success. I must also express my sincere thanks to Prof. (Dr) Mahendra Singh Rathore, Dean, Faculty of Commerce and Management studies, Prof. (Dr) D.S. Kheechee, President, Jai Narain Vyas University Teachers’ Association and all my fellow teachers, friends and non-teaching staff members in the department as well as in the faculty of Commerce and Management studies for their affectionate and supportive behaviour. We are still learning, still experimenting and still attempting to improve our process and product. We would appreciate your feedback and suggestions, and welcome additional assistance to the editorial board.

**[DR. RAMESH KUMAR CHOUHAN]**



## **Dr. Ashok Kumar**

Managing Editor, IJBA & Assistant Professor  
Department of Business Administration, FCMS  
Jai Narain Vyas University, Jodhpur(Raj.)

## **EDITORIAL**

The "Indian Journal of Business Administration," founded in 1992 by Prof. P.N. Saxena, has quickly gained a reputation for presenting the best of management ideas that are conceived and developed by management thinkers in the academic society on issues that are regarded as important and crucial in the contemporary world. In the process, it is usual that while old concepts get reconfirmed or revised, new concepts and techniques emerge for a fuller understanding of the problems and implications of diverse approaches and strategies in the field of Commerce and Management.

The "Indian Journal of Business Administration" is a peer reviewed referred national journal of the Department of Business Administration. Although, it is only a small star in the galaxy of learners, it has been doing its humble bit in bringing to the surface, some of the relevant issues in the realm of commerce and management, along with necessary and even implicit non-business orientations towards a wide range of public and offering possible tips or clues to the academician, readers and managers for multiplying managerial/organizational effectiveness in general towards enhancing their quality of business as well as a successful life.

The last two years have been tough for society and business alike due to the Covid crisis. However, these circumstances have also led to the transformation of the whole corporate environment, as well as the ways of doing business. New fields of study have developed that have the potential to significantly alter future business situations. The current edition of the journal encompasses few of those researchers in its present volume. The current volume touches several research areas which include blockchain and payment system in banking, covid-19 impact on Indian Economy, social impact of women entrepreneurship, robotic accounting, health and education status of Rajasthan, trademark issues in cyberspace, ethical business practices, digital era marketing, changing consumer behaviour during covid pandemic, artificial intelligence in e-commerce, corporate social responsibilities, brand community building to name few. The present volume is a modest and honest attempt to bring to light contemporary researches

to solve social and industrial problems, in the fervent hope that the exercise would help one have a better appreciation of the issues that matter. In the expectation that these expert studies, in their own right and limits, would help stimulate the thinking of the readers and generate responses, possibly helping in ways more than one.

The current issue would not have been possible had we not received encouragement and support from our academic leaders. We are thankful to our Hon'ble Vice Chancellor Professor (Dr.) Pravin Chandra Trivedi for all his inspiration and kind assistance that enabled the present volume to see the light of the day. We would also like to extend our sincere gratitude to Professor (Dr.) Mahendra Singh Rathore, Dean, Faculty of Commerce and Management Studies for his precious support and blessings.

The Department has potential and drive and each of the members hold the key to open up the pathway to excellence. The members involved in this have done appreciable work and unless members participate wholeheartedly, improvements would remain elusive. The success of the journal will depend upon the deep involvement of the members of the department as a family and the kind support from the Faculty of Commerce and Management Studies as well as J N V University administration.

Though a significant attempt has been made in the improvement, quality being elusive as to its boundary limits, the subsequent issues would be further developed for which an evaluated feedback from the readers would be of immense help. The Editorial Board will focus on professionalizing these management circles. It is believed that the patronage and co-operation extended by contributors and readers would enable the department to improve the quality of the journal as a continuous process in its value growth. We are looking forward to valuable comments from readers and contributors for the true improvement in the quality of our Departmental Journal.



**Dr. Ashok Kumar**





ISSN : 0975-6825

# INDIAN JOURNAL OF BUSINESS ADMINISTRATION (IJBA)

(A National Peer Reviewed Refereed Journal)

Volume:-15

Issue:-1

January - June :-2022

## CONTENTS

1	India's Mobile Banking Sector : A Case Study <i>Dr. Anil Verma</i>	1-13
2	Artificial Intelligence in Agriculture: An Impending Epoch of Inquest <b>Dr. Ashok Kumar &amp; Sona Soni</b>	14-22
3	A Study on the influence of Digital Marketing on Consumer Purchase Behaviour <b>Dr. Ramesh Kumar Chouhan</b>	23-29
4	A Comparative Study on the Non - Performing Assets Management of PNB & HDFC Bank <b>Dr. Sony Tulsani</b>	30-38
5	Artificial Intelligence must be a Revolutionary Techniques of Marketing in Medical Tourism <b>Dr. Umaid Raj Tater &amp; Mrs. Anita Jain &amp; Mr. Jai Tater</b>	39-45
6	Corporate Social responsibility Practices of Bharat Petroleum Corporation Limited – A Case Study <b>Mr. Vishal Anand &amp; Dr. Kritika</b>	46-55
7	Food Adulteration and its impact on health <b>Dr. Rajendra Singh Kheechee</b>	56- 64
8	Opportunities and Challenges in Multi Level Marketing <b>Dr. Asha Rathi &amp; Deepika Chouhan</b>	65-70
9	Digital Marketing and Its Effect on Youth <b>Dr. Dilip S. Chavan</b>	71-77
10	A Comparative Study of Corporate Criminal Liability <b>Dr. Pushpendra Kumar Musha</b>	78-90
11	A Study of Luxury Goods Market for Experiential Marketing <b>Amrita Dudia &amp; Dr. Ashish Mathur</b>	91-109
12	Non Performing Assets of Commercial Banks: A Trend Analysis <b>Dr Urmila Bharti &amp; Dr. Surendra Singh &amp; Dr. Rakesh Kumar</b>	110 - 123
13	Aatmanirbhar Bharat and EOD : the interconnection and impact in India <b>Namita Padhy</b>	124-133

## **INDIA'S MOBILE BANKING SECTOR: A CASE STUDY**

Dr. Anil Verma\*

### ***Abstract***

*Technology is used in almost every industry, including the financial sector. Every sector contributes in some way. The significance of technology is steadily growing. The speed at which things are moving is accelerating on a daily basis, which is beneficial to the financial services sector. The banking industry is one of the most significant financial institutions, and it is always looking for new ways to utilize technology to enhance the quality of service it provides to customers. Banking has evolved throughout the course of history, shifting from the traditional brick-and-mortar business model in which customers waited for services at banks to the more modern one in which banks are available at any time to deliver such services upon request. In the business climate of today, technological advancement has become the single most important indicator of progress and competitiveness. The financial services industry is going through profound shifts at the moment. The most common uses of information systems in banks are split between two categories. The functions of communication and interaction are identical to those of running a business. Customers are now able to pay their bills, plan payments, and even attend a party to build a more personal and intimate connection with their bank. Additionally, customers are able to visit their boardrooms to get information on a variety of marketing initiatives. It is strongly recommended that wireless and mobile technologies be used. This article takes a look at mobile banking, an innovative kind of electronic payment, and how it has caught on in India, as well as the factors, both good and negative, that have contributed to its rising popularity.*

**Keyword:-** Mobile banking, Internet banking, technology adoption

### **Introductions:**

Mobile banking, often known as m-banking, has quickly become one of the most popular methods of banking in both industrialized and developing nations. There are more than 20 million online banking customers in India. By the end of the decade, it is expected that mobile transactions would have surpassed credit card sales. India has more mobile phones than bank accounts, according to some estimates. A combination of two reasons is driving increased mobile banking use a huge unbanked population and extensive availability of mobile phones.

"Mobile banking" is defined as "the provision of financial services to consumers on a self-service basis through mobile devices," with current and deposit or savings accounts being the most common example. Mobile banking is a mobile computing software that provides users

\* Assistant Professor, Department Accounting, JNV University, Jodhpur

with the tools they need to bank from anywhere, at any time, using a mobile phone and a mobile service like (SMS). Checking account balances and moving cash across accounts, for example, are no longer restricted by space or time with mobile banking, enabling you to get more done in less time. When we go to the bank to perform specific financial transactions, we may save time. Customers may use internet banking to access their accounts at any time. Customers may check their account balances, access their bank accounts, and conduct activities such as money transfers. They are able to pay their bills and check their accounts without leaving the convenience of their own homes or places of work. However, the most fundamental constraint of online banking is the need of a personal computer that is linked to the internet. This requirement is without a doubt a substantial obstacle in the majority of growing Asian countries, such as India. Mobile banking sidesteps this fundamental constraint imposed by online banking by limiting the customer's demand to a single mobile device, such as a cell phone. The use of mobile phones has exploded in most Asian economies, including India. The main goal of the Internet-based Mobile Banking Score is to raise the number of individuals who utilize mobile banking. Banking has the advantage of allowing you to accomplish things you wouldn't be able to do otherwise. 'Banking is available everywhere, at any time.' Customers may access their bank accounts without using a computer terminal.

## **INDIA WAS THE PLACE WHERE M-BANKING BEGAN**

India's banking industry is among the most advanced and powerful when it comes to digital technologies. According to the survey, India is Asia's fastest-growing mobile platform country. Information and communication technology (ICT) is now being used by India's banking industry as a platform for doing business effectively and efficiently. Exchanges of money In 1987, India's banking sector discovered technology-driven monetary support in the areas of atm machines (ATMs). It was implemented by HSBC bank over 20 years of development of the cash dispenser implementation technology, which was initially introduced to the world by Barclays bank in the United Kingdom in 1967. Since 1991, India has been implementing financial reforms as part of its economic reforms to improve the banking sector. Reforms were implemented in two parts between 1991 and 1997, based on the recommendations of the Narsimahan committee. According to the findings of the second committee, whatever program is necessary for banking sector reforms for India's banking system to become globally competitive should be implemented.

Over the last two decades, this proposal has also aided the rapid spread of technology-oriented financial services given by bankers to their consumers. M-banking technology-enabled financing services are financial-related services supplied utilizing mobile telecommunications technologies. Information or services relating to money (Tiwari, Retail). As a result, in 1999, the first mobile banking and payment efforts were introduced. ICICI Bank was the first Indian bank to provide mobile banking in 1999. HDFC Bank and IDBI Bank are the next two banks on the list. Self-service. As a consequence of technology improvements, the financial industry's scope and structure have evolved, allowing it to extend beyond its traditional confines. M-banking, m-finance, m-transfers, and m-payments are all terminology for inter-services between consumers and bankers that have emerged as a result of banking sector technology improvements. M-banking is a new kind of electronic banking that has emerged recently. Users are able to access their accounts and pay their bills using their smart phones. In recent years, both bankers and their consumers have become more interested in mobile banking. Two examples are the Short Message Service (SMS) and Mobile Internet. As a consequence of providing services 24 hours a day, seven days a week with the purpose of increasing client satisfaction and loyalty, bankers will profit from lower administrative expenditures, fewer branches, and cheaper handling costs. Customers who bank online get superior service compared to those who bank at a branch. However, mobile phones and a variety of bank-developed IT projects may be utilized to deliver financial services to those who do not have access to traditional banks anywhere on the planet. Banks in the twenty-first century are dealing with high-volume demands from a range of people or clients by providing high-quality replies and m-banking, a mobile technology innovation. The mobile phone network provider, m-banking technology seller, financial institution, and client all play a part in the success of m-banking services. M-banking also includes a broad variety of capabilities for providing companies with value-added services, data transformation, and decision-making services. M-banking is a kind of m-commerce service that enables customers to get the following technologically enabled financial data from banks through their mobile device. As a consequence, the Indian government and the Reserve Bank of India are pressuring banks to give mobile banking services to these people. Banks were given m-banking guidance by the Reserve Bank of India in 2008. As a consequence, mobile network operators are unable to offer their own services.

## REVIEW OF THE LITERATURE

Mobile banking is described as "providing customers with financial services through their mobile devices" (Sharma, Prerna, Bamoria and Preeti Singh, 2012). Banking and financial services are available and used in a variety of ways. The practise of making financial transactions through mobile communications devices is known as mobile banking. Mobile banking is a service that permits clients to carry out a variety of financial transactions using on their cell phones. Online shopping is a natural evolution of mobile marketing.

Banking and financial services are available and used in a variety of ways. The practise of making financial transactions through mobile communications devices is known as mobile banking. Mobile banking is a service that permits clients to carry out a variety of financial transactions using their mobile devices. When you utilise a mobile device to initiate, authorise, and finalise a financial value transaction for goods and services. Smartphones, Personal digital assistants, cordless ipads, and any other device that can link to a telecommunication services network and process transactions are examples of mobile devices. The Bank offers mobile banking to its customers and strives to increase the proportion of consumers that use it by eliminating all barriers to adoption. Banking is essential to the conduct of business and the smooth operation of industry. Mobile banking has grown to become the second most advanced banking technology, owing to the fact the fact that online banking is till in its early stages of growth. Among the services supplied might be the ability to conduct financial transactions, keep track of accounts, and get personalised information (**Tiwari and Buss, 2007**). In its widest sense, mobile banking is the provision of financial services by a customer via the use of mobile communication technologies and mobile devices as part of an electronic process (**Postchi and Shurig, 2004**). Today, almost everyone on the globe communicates mainly via a mobile phone. Mobile banking has grown increasingly desired in India, where mobile customers outweigh fixed line subscribers due to stronger mobile infrastructure than fixed line infrastructure. In the banking industry, technology is critical. In the information era, a cell phone is a common technical equipment that has become an integral part of everyone's life. As a way of offering financial services, mobile banking is growing increasingly popular. India is the second-largest telecom market in the world, with plenty of room for mobile banking growth.

## **RESEARCH METHODOLOGY**

The report is based on the study's exploratory research. Exploratory study aims to clarify previously unconsidered notions. Through enquiry, the researcher clarifies ideas, creates priorities, develops definitions, and enhances the overall design of the study. This research integrates qualitative and quantitative methodologies. The research was done with non-users of mobile banking, and data was obtained using "questionnaires."

## **RESEARCH DESIGN**

The two main forms of data are primary and secondary data. Newspapers, articles, publications, online links, and journal articles are used to obtain secondary data. The main data was collected via an exploratory research in which 350 questionnaires were sent to non-users of mobile banking, such as businesses, military personnel, professionals, students, and others.

## THE STUDY'S OBJECTIVES

1. Becoming familiar with the fundamentals of Indian mobile banking
2. Investigate the issues that consumers confront while using mobile banking.
3. Investigate the advantages and disadvantages of mobile banking.
4. Investigate the many applications of mobile banking.

## ADOPTION OF MOBILE BANKING PRESENTS A NUMBER OF CHALLENGES

**1. Economic Issues:** The rural population of India is spread out among 601,210 villages, and each hamlet has a relatively low transaction value. Profitability can only be achieved in large quantities, which makes the cooperation of significant financial institutions a must for achieving profitability. In contrast to the success of M-Pesa in South Africa, which may be attributed to the absence of other payment options, India suffers from a lack of infrastructure in the form of postal, transit, and municipal administrations. As a consequence of this, the cost of any mobile banking service should be reasonable in comparison to the costs of other available alternatives in order to entice clients.

**2. Regulatory Barriers:** While the Reserve Bank of India encourages the use of mobile banking in India, there are a number of restrictions that must be adhered to:

**i. Exclusively financial institutions:** Only existing financial organization's and banks are authorized to provide mobile banking, according to the standards. Even if the concepts apply to micro-finance institutions (MFIs), there are significant fixed costs already in place. For a considerably lower price Allowing non-profit or evangelical groups to design their own response would have been more successful. MFIs may function without relying on larger infrastructure.

**ii. Rupee Transactions:** The Indian rupee, which is the country's official currency, must be used in all financial dealings. Although at first glance this may not seem to be a cause for worry, it does appear to be a barrier to interoperability between mobile payment systems used in India and those used elsewhere in the globe. In addition to this, it inhibits carriers from entering India's lucrative remittance market and limits the income streams available to mobile operators. **iii. Customers who already have an account:** In accordance with the regulations, mobile banking services will be made available to customers who already have an active bank account. Because of this, mobile banking is unable to grow microcredit and give financial services to India's enormous number of people who do not have bank accounts.

**2. Population Issues:** There are 18 national and official language in India, and all of them are extensively spoken. Official communication between state administrations must also be conducted in the regional language. Furthermore, with two-thirds of India's population illiterate, mobile banking solutions are difficult to implement. It will be difficult to remove this from a pan-India mobile banking system.

## 1. THE BENEFITS OF MOBILE BANKING

- **Cost Savings:** For banks, the most significant benefit of mobile banking is that it significantly reduces the cost of delivering service to customers. The next natural stage in the growth of service providers is mobile banking. Countries Mobile banking is supporting service providers in improving revenue from a steadily growing customer base, such as in India, where mobile use is nearing saturation. The sophistication of a service provider's mobile banking offerings is becoming an increasingly important factor in the company's efforts to acquire new customers and maintain relationships with existing clients.
- **Control Fraud:** It's possible that educating customers more thoroughly might be a very effective strategy for improving customer service. Theft of credit cards is one of these areas. If a customer makes a purchase with their credit card that is for more than a certain amount, the cardholder's bank may contact them by mobile technology to let them know about the transaction. In this method, the owner is always notified whenever their card was used, as well as the total amount of money that was charged for each transaction.
- **Reminder Facility:** Customers may also be reminded of approaching loan repayment dates, monthly instalment payment due dates, or simply that a bill has been received by the bank. It has been delivered and is ready to be paid. Customers may then phone in to check their balances and approve the appropriate payment amounts. Customers may also make a request for extra information. They may set up automatic deposits and withdrawals, as well as wait for pre-scheduled payments or checks to be received. Similarly, one may utilise their mobile phone to request services such as a stop check or a check book.
- **Easy to get Mobile Services:** The phone of a customer is nearly constantly with them. As a result, it may be applied in a broad variety of situations. To utilise the bank's services, the user does not need to go to an ATM or a branch. According to studies, the number of clients visiting a bank branch has reduced considerably since ATMs were implemented. People would no longer need to visit bank branches except for a few occasions, hence a bank would need to hire even fewer people, comparable to mobile services. As a result, both banks and their clients benefit from the usage of mobile technologies. Through a process of automation, banks contribute to this human dialogue.

- **Security features:** The warning will only be sent to the cellular phone number that the client has provided and registered with the banking institution. In addition, private account numbers and other information are not distributed in a mass manner. However, the customer will only be able to see the last six digits of the number and the kind of account. Once a request has been received from the user's registered mobile phone number and successfully validated by the four-digit code number that will be provided at the beginning of pull alert services, the user will be able to view the balance on his account as well as any transactions that have been performed using that account. It is going to reach its conclusion. The user's mobile phone number and the code number of the location from where they access the service will function as the user ID and password respectively for the authentication process. As a consequence of this, the number of the code need to be kept a secret.

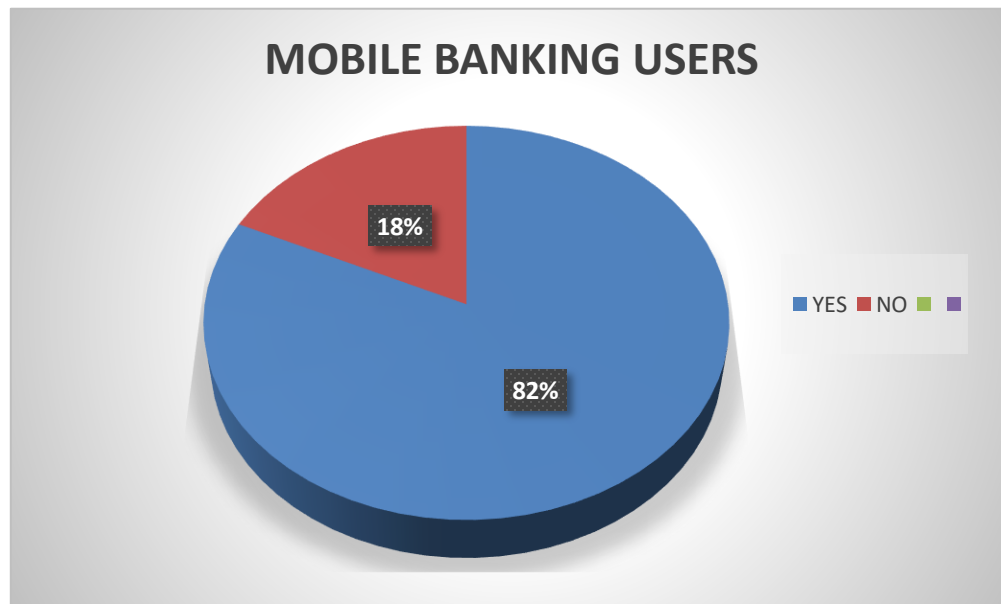
## THE ADVERSE EFFECTS OF USING MOBILE BANKING

❖ **Security:** - The fact that there are a much fewer number of viruses and Trojan horses that target mobile devices is one of the primary reasons why specialists feel mobile banking is a more secure option than conventional banking. This is not to suggest that using mobile banking is fully risk-free; in fact, mobile users are particularly vulnerable to phishing approaches that are referred to as "smashing." This is the result of a hacker acting as a financial institution and sending a bogus text message to a mobile banking user in the form of a request to provide login credentials for a bank account. As a direct result of the capacity of this method to mislead others, a significant number of those individuals have been taken advantage of monetarily. Think about the consequences of not being able to use the mobile banking app on your phone in the case that your phone is stolen or misplaced. When doing online banking, customers are often required to use a secure connection in order to protect information they provide from falling into the hands of thieves. Many users configure their mobile devices to remember their passwords, even though many banking apps require them to type in a password or PIN, and many users also make use of passwords and usernames that aren't very secure. This is despite the fact that many banking apps require users to type in a password or PIN.

❖ **Compatibility:** There are several mobile devices that do not enable mobile banking. There are certain banks and other financial organizations that do not provide any kind of mobile banking services at all. When it comes to the rest, you will need to make use of a specific mobile banking program that is only compatible with the devices that are the most popular overall. There is no guarantee that third-party software that is used for mobile banking will always be supported. If you do not have access to a smartphone, your options for mobile banking will likely be more limited. This is especially true if you want to access your accounts on the go. Even though it is feasible to get a text message with the current balance of a bank account, users with "dumb phones" are often unable to do more complex tasks such as moving money between accounts.



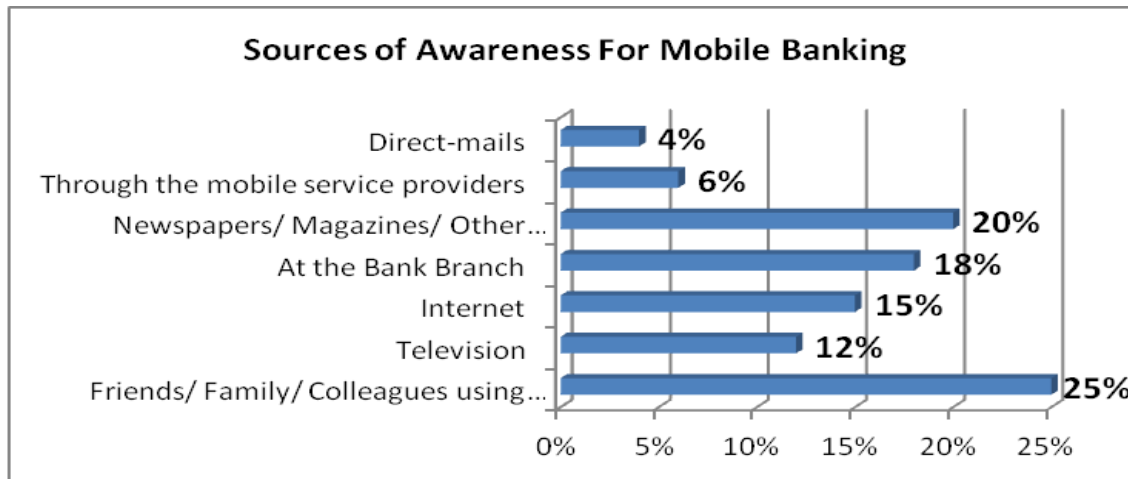
- ❖ **Cost:** The price of using a network service may build up rapidly. Even if you currently own a smartphone that is compatible with the service, you will still be required to pay for data and text messaging. You could have to pay a fee to use mobile banking at certain financial institutions, and there's also a chance you'll have to pay for the software. It is possible for these extra costs to quickly build up, particularly if you use mobile banking on a regular basis.



## DATA ANALYSIS AND PRESENTATION

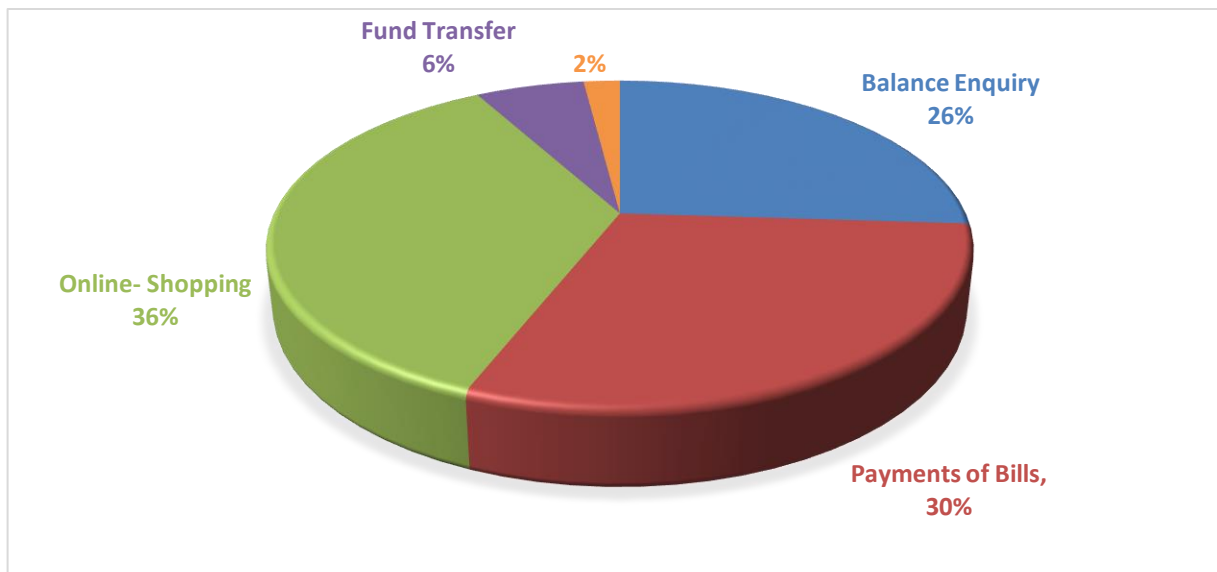
**Fig1. Mobile Banking Users**

According to the graph above, 78 percent of 350 respondents utilize mobile banking nowadays, while 18 percent do not.



**Fig2. Sources of Mobile Banking Information**

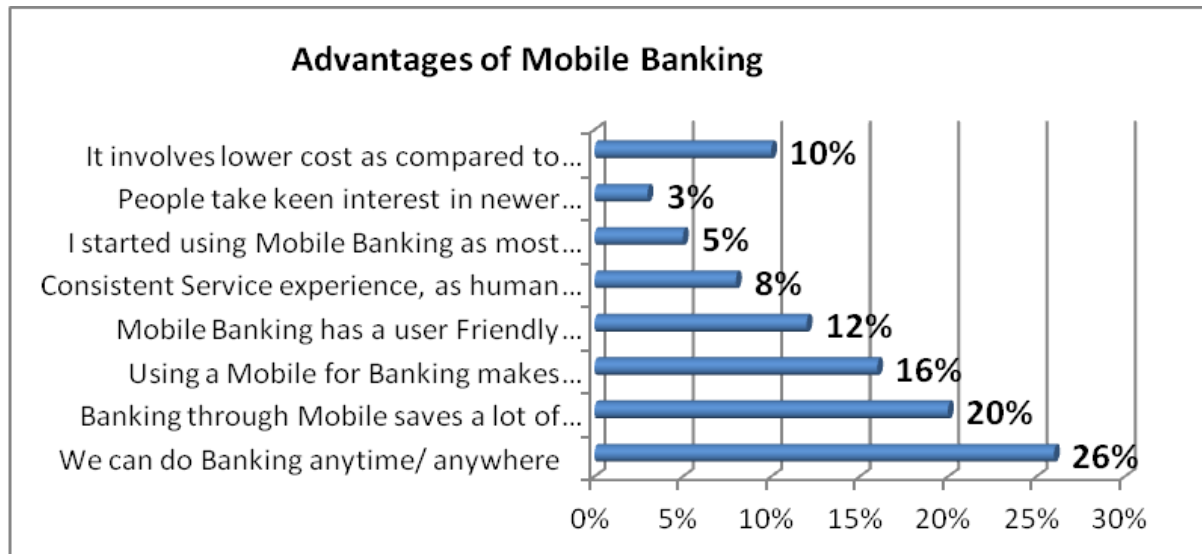
Family/friends/colleagues are the most common source of mobile banking awareness, with 25% of



people using it. The percentage of ads in newspapers, magazines, and other printed publications is 20%. The percentages for the internet, television, and bank branch are 15 percent, 12 percent, and 18 percent, respectively. Direct mail makes up 4% of the total, while mobile service providers make up 6%.

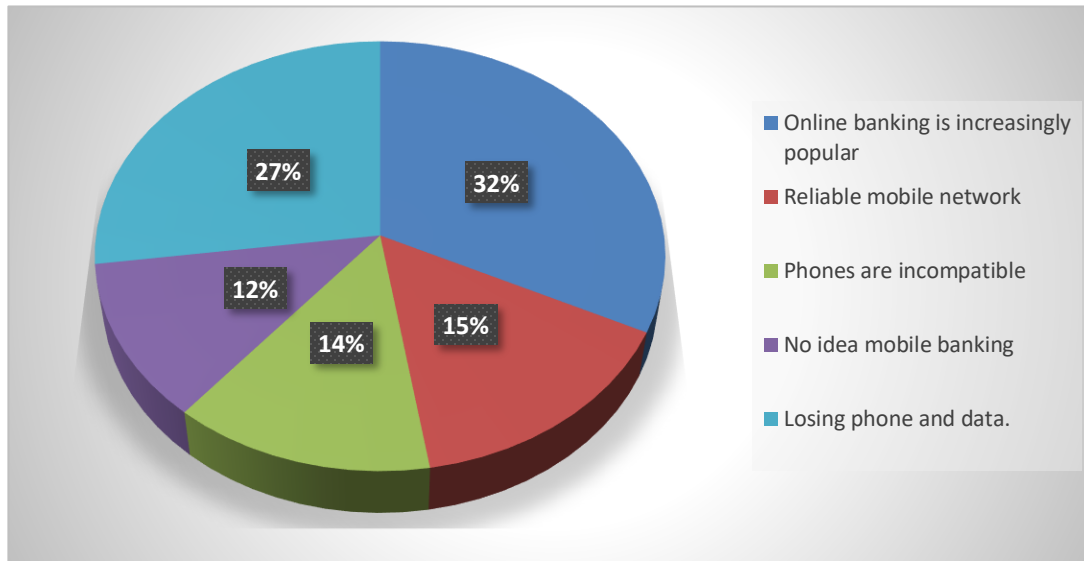
**Fig3. Purpose of using Mobile Banking**

26 percent of respondents use Mobile Banking to check their balance, 30 percent to pay bills, 36 percent to shop online, 6 percent to transfer money, and 2 percent to manage their savings and pension funds.



**Fig4. The Benefits of Mobile Banking**

The graph above shows that the ability to use mobile banking at any time and from any location is the most crucial criteria for adopting it; 26 percent of 350 respondents had done so just for this reason. It has been adopted by 20% of people since it saves time. 16 percent of individuals use mobile banking because it is more simple and straightforward, and 12 percent say it has a user-friendly layout. It is less costly, according to 10%, than conventional or older banking methods. 8 percent say it gives a consistent service experience since there is less human involvement. Your interest is piqued by techniques.



**Fig5. Blockades for Adopting Mobile Banking**

Because online banking is increasingly popular, 32% of the 350 respondents shun mobile banking. Another important cause, according to 15 percent, is the lack of a reliable mobile network. 14 percent of people claim their phones are incompatible. 12 percent have no idea what mobile banking was. 27 percent are concerned about losing their phone and data.

## THE STUDY'S RESULTS

1. Banks should educate and interest their customers about mobile banking services via marketing, pamphlets, demo rentals, incentives, and other techniques.
2. Then there's the matter of trust. Customers and service providers must have a high degree of confidence; customers would avoid using mobile for financial transactions if security and privacy were not guaranteed.
3. Ease of use and perceived utility have been proven to impact consumer willingness to adopt mobile banking. As a consequence, management should focus on enhancing the system's usability, establishing trust, and reducing expenses.
4. Estimated costs are also an important consideration; as a result, the findings of this study suggest using creative marketing and pricing strategies, including cost reduction strategies, in order to entice clients who are more concerned with value. Customers would convert to mobile banking only if it is simple to use and comprehend, according to research.

## CONCLUSION

Mobile phones, as is widely acknowledged, have immense potential for performing financial transactions, resulting in financial development at a low cost and with great simplicity. For inclusive prosperity, the benefits of using a mobile banking app should reach the common man in far-flung corners of the nation. To increase the reach of mobile banking from high-end to low-end clients, as well as from metros to central cities and rural areas, all stakeholders, including regulators, the government, Telecom service providers, mobile device makers, and banking all need to collaborate. The incorporation of the non-banking population in the financial mainstream will benefit everyone. There's also a need to expand awareness about mobile banking so that more people can take use of it. So far, the study has shown that the m-payments industry has a wide range of thinking and creativity. Many solutions have been attempted and failed, but the future seems bright with the possibility for new technology improvements.

## REFERENCES

- Al-Ashban, A. A. & Burney, M. A. 2001. "Adoption of telebanking technology by customers: the instance of Saudi Arabia".*International Journal of Bank Marketing*. Vol. 19 (5), pp. 191-200.
- AL-Majali, M., & Mat, N. K. (2011). "A To model the experiences of internet banking service adoption, a structural equation modelling (SEM) approach was applied (IBSA) in Jordan." *Journal of Internet Banking and Commerce*, 1-15.
- Alpesh Patel. (2013) "Mobile Banking and Mobile Payments: The Next Frontier." Deloitte, Delhi.
- T. Bhatti, T. Bhatti, T. Bhatti, T. Bhatti (2007). "Examining the Factors Affecting Mobile Commerce Adoption." 1-13 in the *Journal of Internet Banking and Commerce*.
- L. Bradley and K. Steward, L. Bradley and K. Steward, L. Bradley and K. Steward, L. Bradley and K. Steward *Universal Journal of Bank Marketing*, Vol. 20 (6), pp. 250-260. "A Delphi analysis of the motorists and inhibitors of Internet banking."
- 6. G. Kim, B. Shin, and H. G. Lee (2007). "Understanding the relationship between unique trust and mobile banking usage intentions." 283–311 in *Information Systems Journal*.
- H.-F. Lin, H.-F. Lin, H.-F. Lin, H. (2010). "The effect of innovation on mobile finance adoption: An empirical analysis." 252-260 in *International Journal of Information Management*.
- 8. Pousttchi and Schurig, "Mobile banking rollout in unindustrialized markets: data from Brazil," *International Journal of Bank Marketing*, Vol. 29 No. 5, pp. 342-371, 2004. 9.

Indian Journal Of Business Administration (IJBA)

(A National Peer Reviewed Refereed Journal)

ISSN : 0975-6825, Volume 15, Issue 1, January - June 2022, pp. 01-13

- 1/191851.html RBI <http://businesstoday.intoday.in/story/mobile-banking-on-the-rise-in-India/>"Factors impacting the adoption of M-commerce: An investigative Analysis," Sadi, A., and Noordin, M. F. (2011). Manufacturing Engineering and Operations Management International Conference (pp. 492-498). malaysia.
- Safeena, Kammani, A. Kamman (2012). "A Study on Technology Acceptance and Indian Consumers." 1020-1024 in International Journal of Computer Theory and Engineering.
- Prerna Sharma, Preeti Singh, Prerna Bamoriya, and Preeti Singh (2011), " India's Mobile Banking Issues and Challenges: A Customers' Perspective."

## **ARTIFICIAL INTELLIGENCE IN AGRICULTURE: AN IMPENDING EPOCH OF INQUEST**

Dr. Ashok Kumar\*  
Sona Soni \*\*

### ***Abstract***

*Worldwide populace is relied upon to arrive at in excess of nine billion by 2050 which will require an increment in farming creation by 70% to satisfy the interest. Just around 10% of this expanded creation might come from accessibility of unused terrains and rest of 90% ought to be satisfied by strengthening of current creation. In this unique circumstance, utilization of most recent innovative answers for make cultivating more productive, stays probably the best need. Present systems to escalate horticultural creation require high energy sources of info and market requests great food. The shortage and expanding work costs, raising expense of development and harvest disappointments related with unusual yield because of illnesses, disappointment in precipitation, climatic varieties and loss of soil richness, fluctuating business sector cost in farming wares and so on, adversely affects the financial status on this spine populace.*

*On the opposite side the raise in populace has spurred more interest on food grains coming about with expansion in horticulture product costs. Utilizing man-made brainpower, we can foster shrewd cultivating practices to limit loss of ranchers and furnish them with high return. Utilizing man-made consciousness stages, one can accumulate enormous measure of information from government and public sites or ongoing checking of different information is additionally conceivable by utilizing IoT (Internet of Things) and afterward can be dissected with precision to empower the ranchers for resolving every one of the questionable issues looked by ranchers in the horticulture area. By the 2050, the UN extends that 66% of the total populace will live in metropolitan regions, decreasing the country labor force. New advances will be expected to facilitate the responsibility on ranchers: Operations will be done from a distance, cycles will be mechanized, dangers will be distinguished, and issues addressed. Later on, a rancher's abilities will progressively be a blend of innovation and science abilities rather than unadulterated agrarian.*

**KEYWORDS:** *Internet of things, AI, compost, yields, Agri E-calculator*

\* Assistant Professor, Department of Business Administration, JNV University, Jodhpur

\*\* Research Scholar, Department of Business Administration, JNV University, Jodhpur

## **CONNOTATION OF ARTIFICIAL INTELLIGENCE IN AGRICULTURE**

Man-made brainpower (AI) can be applied cross disciplinary and it can likewise bring a change in outlook by the way we see cultivating today. Simulated intelligence-controlled arrangements won't just empower ranchers to accomplish more with less, it will likewise work on quality and guarantee quicker go-to-advertise for crops. The present innovation progression in Artificial Intelligence, Big Data, IoT are turning into the significant drivers for giving the Digital IT arrangement practically in every one of the fields and business areas. Subsequently, it is proposed to utilize Digital arrangement helped with Artificial insight to inspire the territory of the stomped-on rancher local area while giving yet another open door to business and business visionaries by empowering shrewd homestead as an assistance.

### **GROWTH DRIVEN BY INTERNET OF THINGS (IOT):**

Digital change is disturbing the farming scene. IoT innovations permit relationships of organized and unstructured information to give experiences into food creation. Gigantic volumes of information get created each day in both organized and unstructured configuration. These connect with information on authentic weather condition, soil reports, new exploration, precipitation, bug pervasion, pictures from Drones and cameras, etc. Mental IoT arrangements can detect this information and give solid experiences to further develop yield. Closeness Sensing and Remote Sensing are two advancements which are fundamentally utilized for keen information combination. One use instance of this high-goal information is Soil Testing. While remote detecting expects sensors to be incorporated into airborne or satellite frameworks, closeness detecting requires sensors in touch with soil or at an exceptionally short proximity. This aides in soil portrayal in light of the dirt underneath the surface in a specific spot. Equipment arrangements like Robot (relating to corns) are as of now matching information gathering programming with advanced mechanics to set up the best manure for developing corns notwithstanding different exercises to augment yield. The IoT empowered sensors should be introduced in the field at the recommended areas. These sensors are the transducers that gather the information on climatic condition, soil dampness and richness, root and shoot development; profuse leaves development, photograph period checking, botanical and seed setting, grain/organic product bearing, bother and expires as basic development factors indications and collect status.

The IoT gadget incorporates the transducer that tests the different boundaries of climate and harvest referenced previously. It tends to be mounted on safeguarded smaller than normal board with WiFi gadget, microcontroller, minimal expense VGA picture sensor, scaled down battery controlled with miniature sunlight-based charger. The information can be gathered at required time spans either by introducing WiFi dynamic problem area towers as expected for whole field inclusion. On the other hand, drones with dynamic WiFi problem area can likewise be utilized to sweep and gather information from IoT gadgets as well as to catch raised movie of the whole field.



**INFORMATION DRIVEN CULTIVATING:** By examining and associating data about climate, sorts of seeds, soil quality and likelihood of sicknesses, recorded information, commercial center patterns, and costs, ranchers will settle on more educated choices.

**IMAGE-BASED UNDERSTANDING AGE:** Precision cultivating is one of the most examined regions in cultivating today. Drone-based pictures can help in inside and out field investigation, crop checking, examining of fields, etc. PC vision innovation, IOT and robot information can be consolidated to guarantee quick activities by ranchers. Takes care of from drone picture information can produce cautions continuously to speed up accuracy cultivating. Organizations like Aerial have carried out IBM Watson IoT Platform and the Visual Recognition APIs in business drones for picture examination continuously. Given underneath are a few regions where PC vision innovation can be put to utilize:

- **ILLNESS LOCATION:** Pre-handling of picture guarantee the leaf pictures are portioned into regions like foundation, non-ailing part and infected part. The unhealthy part is then trimmed and ships off distant labs for additional finding. It additionally helps in bother ID; supplement lack acknowledgment and that's only the tip of the iceberg.
- **CROP AVAILABILITY RECOGNIZABLE PROOF:** Images of various harvests under white/UV-A light is caught to decide how ready the green organic products are. Ranchers can make various degrees of status in view of the harvest/organic product class and add them into independent stacks prior to sending them to the market.
- **FIELD THE BOARD:** Using superior quality pictures from airborne frameworks (robot or copters), constant assessments can be made during development period by making a field map and distinguishing regions where yields require water, compost or pesticides. This aides in asset enhancement to an immense degree.

**IDENTIFICATION OF IDEAL BLEND FOR AGRONOMIC ITEMS:** In view of different boundaries like soil condition, weather conditions conjecture, kind of seeds and invasion in a specific region, etc., mental arrangements make proposals to ranchers on the most ideal selection of yields and half-breed seeds. The suggestion can be additionally customized in view of the homestead's necessity, neighborhood conditions and information about fruitful cultivating before. Outside factors like commercial center patterns, costs or buyer needs may likewise be considered into empower ranchers take a very much informed choice.

## HEALTH OBSERVING OF YIELDS

Remote detecting strategies alongside hyper ghostly imaging and 3d laser filtering are crucial for construct crop measurements across large number of sections of land. It can possibly get a progressive change as far as how farmlands are checked by ranchers both from time and exertion viewpoint. This innovation will likewise be utilized to screen crops along their whole lifecycle remembering report age for instance of inconsistencies.

## AUTOMATION LOGISTICS IN WATER SYSTEM AND ORDINATING RANCHERS

As far as human escalated processes in cultivating, water system is one such interaction. Machines prepared on authentic atmospheric condition, soil quality and sort of harvests to be developed, can computerize water system and increment generally speaking yield. With near 70% of the world's new water being utilized in water system, robotization can assist farmers with better dealing with their water issues.

## DRONE BASED TECHNOLOGY

Quite possibly the most encouraging region is farming, where robots can possibly address significant difficulties. Drone innovation is giving farming a cutting-edge makeover. The following are six different ways robots will be utilized all through the yield cycle:

- **SOIL AND FIELD EXAMINATION:** By creating exact three-dimensional guides for early soil investigation, robots can assume a part in arranging seed planting and assembling information for overseeing water system and nitrogen levels.
- **PLANTING:** Startups have made robot establishing frameworks that diminishing establishing costs by 85%. These frameworks shoot units with seeds and supplements into the dirt, giving every one of the supplements important to developing yields.
- **CROP SHOWERING:** Drones can examine the ground, splashing progressively for even inclusion. The outcome: ethereal showering is multiple times quicker with drones than conventional apparatus.
- **CROP OBSERVING:** Inefficient yield checking is an enormous snag. With drones, time-series movements can show the improvement of a harvest and uncover creation failures, empowering better administration.
- **WATER SYSTEM:** Sensor robots can recognize what portions of a field are dry or need improvement.
- **WELLBEING EVALUATION:** By examining a yield utilizing both apparent and close infrared light, drone-conveyed gadgets can assist with following changes in plants and show their wellbeing and ready ranchers to sickness. UAVs may one day comprise of independent multitudes of robots, gathering information and performing errands. The greatest deterrent to that turning into the truth is sensors equipped for gathering excellent information and calculating programming that can make that innovative dream a reality.

## **FACSIMILE FOR FARMERS' GENESIS**

The recipient of this help can be presented with following assistance models.:

- Chatbot
- Agri-E-calculator for reasonable harvest choice alongside asset assessment
- Crop care administration.
- Price forecast and market direction
- Crop advance and protection administration.

**CHATBOT:** Currently, AI-controlled chatbots (remote helpers) are utilized in retail, travel, media, and protection areas. Be that as it may, horticulture could likewise use this innovation by helping ranchers with answers and suggestions on explicit issues. This assistance lets the rancher to get their inquiries responded to through intuitive voice talk in their local dialects. The chatbot motor is driven with both administered and supported AI methods for a constant and setting touchy learning. Subsequently the chatbot replies to the vast majority of the nonexclusive inquiries before it lets to human administrator mediation for any questions that are novel in nature.

**AGRI-E-CALCULATOR:** The Agri-e-adding machine as a shrewd application assist the brilliant rancher with picking the most reasonable harvest and moderateness in view of a few reliance factors. The rancher can utilize the shrewd number cruncher and simply pick the ideal yield to be developed over his favored inclusion area of homestead. Then, at that point, any remaining required data sources in view of different reliance factors are naturally distinguished and taken by the e-adding machine and gives the assessment results. This result gives helpful information on assessment of manures cost/amount, water, seeds, development gear cost and Labor Day endeavors/cost with Labor Day exertion dissemination on schedule diagram of harvest life cycle, crop yield alongside extrapolated market cost at the gather time and its benefit. Every one of the expected information sources which are both straight and non-direct in nature are taken by rancher's information base, outer data sources referenced before. The information sources get handled by AI procedures and produce the assessment with plausibility concentrate so the rancher can pick the ideal yield for development.

**CROP CARE ENFORCEMENT:** The yield care administration direction traverses right from the planting of seeds as start point till the hour of gathering as endpoint. The complex organized information tested from IoT sensors from the fields are investigated alongside the information gathered from wellsprings of data locales alongside area master inputs any place required through Artificial Intelligence strategies. After the examination of complete information, the general restorative thing to do is inferred out of PID (Proportional Integral and Differential) regulator system. In like manner, the remedial measures are made aware of the rancher on their advanced cell to focus on the activity in light of seriousness and direness to follow up on.

**VALUE FORECAST AND MARKET DIRECTION:** This assistance assists with protecting the ranchers from market variance and mitigates the gamble of value misfortune. In view of the factual information gathered from different sources a prescient cost and request data is imparted to the famers during the total harvest lifecycle. Also, thus the ranchers can design better for delivering their products to showcase.

**CROP ADVANCE AND PROTECTION EXECUTION:** This assistance helps the ranchers in working with plausibility of the getting, crop advance, handling support, qualification models and advance cutoff according to the shrewd assessment made for the propose crop. Likewise, it assists with getting the yield guaranteed as a moderation plan for crop disappointments because of any vulnerabilities or catastrophes.

### **AS OF NOW INVOLVED AI ADVANCEMENTS IN AGRICULTURE**

**BLUE RIVER INNOVATION:** Founded in 2011. This California-based startup consolidates computerized reasoning, PC vision and advanced mechanics to work cutting edge horticulture hardware that lessens synthetic compounds and saves costs. PC vision recognizes every individual plant, chooses how to treat every individual plant and advanced mechanics empowers the shrewd machines to make a move. The utilization of sensors that distinguish weeds, the sort of weeds and the right herbicides to apply inside the right cushion around the plant. The cameras and sensors use AI where the pictures are caught and the machines can be instructed in various weeds. Then, at that point, additionally the right herbicides are showered exactly according to infringement region. Blue River Technology has fostered a robot called See and Spray which apparently use PC vision to screen and unequivocally splash weeds on cotton plants. Accuracy showering can assist with forestalling herbicide opposition. The brief video beneath shows how the robot functions in real life.

**FARMBOT:** Founded in 2011. This organization has taken accuracy cultivating to an alternate level by empowering climate cognizant individuals with accuracy cultivating innovation to develop crops at their own place. The item, FarmBot includes some significant pitfalls of \$4000 and assists the proprietor to do with finishing to-end cultivating without help from anyone else. Going from seed manor to weed discovery and soil testing to watering of plants, everything is dealt with by this actual bot utilizing an open-source programming framework.

**COLLECT CROO ROBOTICS - CROP HARVESTING:** Harvest CROO Robotics has fostered a robot to help strawberry ranchers pick and pack their yields. Absence of workers has supposedly prompted large number of dollars of income misfortunes in key cultivating locales like California and Arizona. The robot gets strawberries, assisting ranchers with diminishing the expense of reap work. Strawberries should be picked in a specific time-frame and henceforth qualified pickers are required. Harvests CROO Robotics accepts that their development will set aside cash, increment yields, decrease energy use and work on quality. Watch this short vision and find out additional.

**PLANT INFECTIONS FINDING APPLICATION - PLANTIX:** The Berlin-based rural tech startup PEAT fostered the Plantix application that distinguishes likely imperfections and supplement lacks in soil. The application utilizes pictures to identify plant illnesses, an advanced mobile phone gathers picture which is coordinated with a server picture and afterward a conclusion of the plant wellbeing is given. In this manner the application utilizes AI and AI to tackle the plant sicknesses.

**PROSPERA:** Founded in 2014. This Israeli startup has altered the manner in which cultivating is finished. It has fostered a cloud-based arrangement that totals generally existing information that ranchers have like soil/water sensors, ethereal pictures, etc. It then, at that point, consolidates it with an in-field gadget that figures out everything. The Prospera gadget which can be utilized in green houses or in the field, is fueled by an assortment of sensors and innovations like PC vision. The contributions from these sensors are utilized to observe a relationship between various information mark and make expectations.

## **REMONSTRANCE WITH ARTIFICIAL INTELLIGENCE IN AGRICULTURE**

However Artificial Intelligence offers tremendous open doors for application in agribusiness, there actually exists an absence of knowledge of innovative AI arrangements in ranches across most regions of the planet. Openness of cultivating to outer variables like weather patterns, soil conditions and presence of bugs is a considerable amount. So, what could resemble a decent arrangement while arranging during the beginning of reaping may not be an ideal one in light of changes in outer boundaries?

Artificial intelligence frameworks likewise need a ton of information to prepare machines and to make exact forecasts. In the event of huge agrarian land, however spatial information can be accumulated effectively, transient information is difficult to get. For instance, the vast majority of the harvest explicit information can be acquired just a single time in a year when the yields are developing. Since the information foundation invests in some opportunity to develop, it requires a lot of chance to assemble a strong AI model. This is one motivation behind why AI sees a ton of utilization in agronomic items like seeds, manure, pesticides, etc. as opposed to in-handling accuracy arrangements.

## END-NOTE

Artificial intelligence advancements assist ranchers with breaking down land/soil/strength of harvest and so on and save time and permit ranchers to develop right yield in each season that has best yield. Vertical trimming can diminish water utilization, make effective land use, can be developed in metropolitan regions in structures. It can lessen the issues with work inaccessibility. Permits expectation of the following year crop seasons/climate/environment/precipitation and so forth Simulated intelligence-based forecasts empower proposing suitable pesticides/crops/place at right time before enormous scope frequency of infection. With an immense space still immaculate in agribusiness for the interruption of programmed reaction frameworks, there is a tremendous chance for the horticulture business to use arising innovation of catboats for helping ranchers with the responses to every one of their inquiries and offering applicable guidance and proposals to their particular homestead related issues. This thus pushes the development of the AI market in horticulture.

## REFERENCES

- Ahirwar, S., Swarnkar, R., Bhukya, S., Namwade, G., 2019. Application of drone in agriculture. *Int. J. Curr. Microbiol. App. Sci.* 8 (1), 2500–2505.
- Aitkenhead, M.J., McDonald, A.J.S., Dawson, J.J., Couper, G., Smart, R.P., Billett, M., Hope, D., Palmer, S., 2003. A novel method for training neural networks for time-series prediction in environmental systems. *Ecol. Model.* 162 (1–2), 87–95.
- Albaji, M., Shahnazari, A., Behzad, M., Naseri, A., BoroomandNasab, S., Golabi, M., 2010. Comparison of different irrigation methods based on the parametric evaluation approach in Dosalegh plain: Iran. *Agric. Water Manag.* 97 (7), 1093–1098.
- Anand, K., Jayakumar, C., Muthu, M., Amirneni, S., 2015. Automatic drip irrigation system using fuzzy logic and mobile technology. 2015 IEEE Technological Innovation in ICT for Agriculture and Rural Development (TIAR). <https://doi.org/10.1109/tiar.2015.7358531>.
- Bhaskaranand, M., Gibson, J.D., 2011. Low-complexity video encoding for UAV reconnaissance and surveillance. *Proc. IEEE Military Communications Conference (MILCOM)*, pp. 1633–1638.
- Birrell, S.J., Sudduth, K.A., Borgelt, S.C., 1996. Comparison of sensors and techniques for crop yield mapping. *Comput. Electron. Agric.* 14 (2-3), 215–233.
- Blasco, J., Aleixos, N., Roger, J.M., Rabatel, G., Molto, E., 2002. Robotic weed control using machine vision. *Biosyst. Eng.* 83 (2), 149–157.
- Bond, W., Grundy, A.C., 2001. Non-chemical weed management in organic farming systems. *Weed Res.* 41 (5), 383–405.
- Buchanan, R.A., 1989. Bush Regeneration: Recovering Australian Landscapes. The Open Training and Education Network, Redfern, pp. 242–246.

- Chang, C.-L., Lin, K.-M., 2018. Smart agricultural machine with a computer vision-based weeding and variable-rate irrigation scheme. *Robotics* 7, 38. <https://doi.org/10.3390/robotics7030038>.
- Choudhary, S., Gaurav, V., Singh, A., Agarwal, S., 2019. Autonomous crop irrigation system using artificial intelligence. *International Journal of Engineering and Advanced Technology*. 8 (5S), 46–51.
- Chung, S., Choi, M., Lee, K., Kim, Y., Hong, S., Li, M., 2016. Sensing Technologies for Grain Crop Yield Monitoring Systems: a review. *Journal of Biosystems Engineering* 2016 41 (4), 408–417.
- Cillis, D., Pezzuolo, A., Marinello, F., Sartori, L., 2018. Field-scale electrical resistivity profiling mapping for delineating soil condition in a nitrate vulnerable zone. *Appl. Soil Ecol.* 123, 780–786.

## **A STUDY ON THE INFLUENCE OF DIGITAL MARKETING ON CONSUMER PURCHASE BEHAVIOUR**

**Dr. Ramesh Kumar Chouhan\***

### ***Abstract***

*The study's goal is to determine how digital marketing has affected consumer purchasing patterns. One strategy for promoting products, services, and concepts online is called digital marketing. Digital marketing is a pervasive phenomenon that affects all business sectors and is used in them all. There is no shadow of a doubt that in the future, with the world embracing digital methods of transaction, particularly in light of the pandemic, digital marketing may surpass conventional methods of marketing. This study focuses mostly on how digital marketing is changing how companies are promoted globally, as well as on better understanding consumer preferences and consumer behaviour patterns.*

**Key words:** Digital shopping, Consumer Behaviour, Digital marketing, Social media, Buying behaviour

### **INTRODUCTION OF THE PAPER**

One type of advertising that is frequently used to promote goods or services and reach customers through digital channels is advanced advertising. Beyond web advertising, computerized advertising can be shown on networks that don't use the Internet. It includes mobile devices [including both SMS and MMS], online life showcasing, show promotion, web crawler advertising, and many other various forms of computerized media. The most obvious marketing tactic is conventional advertising. A traditional marketing plan uses non-computerized methods to advertise a business' products or services. Contrarily, intelligent advertising involves promoting products or services to consumers using digital media. Modern marketing advances enable customers to continue using the verified information (Gangeshwer, 2013). Nowadays, a large number of customers may use the internet whenever they want, and businesses are constantly updating information about their products or services. Customers are aware of how to visit an organization's website, browse the products, make online purchases, and control the input cost. Customers receive comprehensive information about the products or services (Gregory Karp, 2014). They are able to connect with other relevant goods. Computerized marketing allows for customer purchases to be made 24 hours a day. Costs in the computerized exhibiting are clear (Yulhasri, 2011).

Since its inception in 1990, digital marketing has transformed, which has altered how businesses are now generally marketed. Digital platforms including context marketing, email marketing, social media marketing, Pay per Click (PPC), Search Engine Optimization (SEO), and others are all included in the broad field of digital marketing. In the twenty-first century, there have been significant changes in how people work, live, and communicate. We are all experiencing the digital revolution day by day (digital Kranti). Students, professionals, businesspeople, and every individual are surrounded by a digital environment in the idea of the global community of today. Transportation made the world smaller, while quickening communication made it easier to communicate. Everyone is communicating intelligently now thanks to smart phones.

\* Assistant Professor & Head , Department of Business Administration, JNV University, Jodhpur



Consumer behaviour is a rapidly growing area of study. It is a more comprehensive idea that looks into what influences a consumer's choice to buy a product that satisfies their need (or want). Consumer behaviour is "the dynamic combination of affect and cognition, behaviour, and environment by which human beings conduct the exchange portions of their life," according to the American Marketing Association. There are several things to take into account while analyzing consumer behaviour.

## **LITERATURE REVIEW**

Peter S.H. Leeflang et al. [2014] Web usage is always expanding, with computers becoming an inexorably important source of advantage. There has been a lot of focus on the enormous opportunities that sophisticated advertising offers, but little attention has been paid to the actual challenges that businesses are facing as they transition to computers. Based on findings from a study among an accommodation test of 777 advertising administrators worldwide, we describe these challenges in this analysis.

Anjalli Vachhani et al. [2016] At that point, the current investigation considers the benefits of web-encouraged intuitive environments on encouraging activity. The promotional openings for this new product become shorter after its introduction, and virtual space becomes the next hub for thought. The analysis continues with challenges that are emerging in the sphere of advanced displaying, such as security and protection concerns.

Amit Singh Rathore et al. [2017] The enormous Indian market is quickly changing. Web access is becoming more commonplace among professionals, and mobile device usage is rising. The volume and quality of advanced directs are continuously increasing, and the rate of progress is quickening. People in India are regularly spending more time online, and the modern resources and settings they utilise are becoming increasingly important in their daily lives. Smart marketers monitor the pace of change and ensure that their touch points and marketing techniques correspond with the areas in which consumers are focusing their attention. These comments provide a sense of the magnitude of the development we have witnessed thus far and hint at the magnitude of what is to come.

## **OBJECTIVES OF THE STUDY**

1. To evaluate the impact of digital marketing in buying pattern of consumers.
2. To identify customer first choice just before digital channels.
3. To scrutinize the result of digital advertising in purchase decision.

## **NEED OF THE STUDY**

The method that a marketer markets a product and the way that customers purchase it have undergone astounding changes as a result of digital platforms. Consumer purchasing behaviour affects a variety of variables, and these variables invariably have an impact on marketers' efforts to cater to the needs of consumers in general and young people in particular. Therefore, it is acknowledged that it is necessary to analyze Digital Marketing and its effects on young people's purchasing patterns.

## **HYPOTHESIS**

H1: A significant relationship exists between decision factors of purchase and promotional activities.

H2: There is no significant relationship between age of the respondents and time spends on social media to purchase online products.

## **RESEARCH METHODOLOGY**

To analyze consumer behaviour in the Jodhpur district with regard to several aspects of digital marketing. A structured survey for collecting first-hand information for primary data, a total of 130 persons was surveyed. The Jodhpur district provided the respondents. A direct through survey method called direct questioning of respondents was employed to collect primary data in a structured fashion. There are 130 internet shoppers who made purchases for this survey. Statistical tools like the chi-square test were used to analyze the data and evaluate the hypothesis.

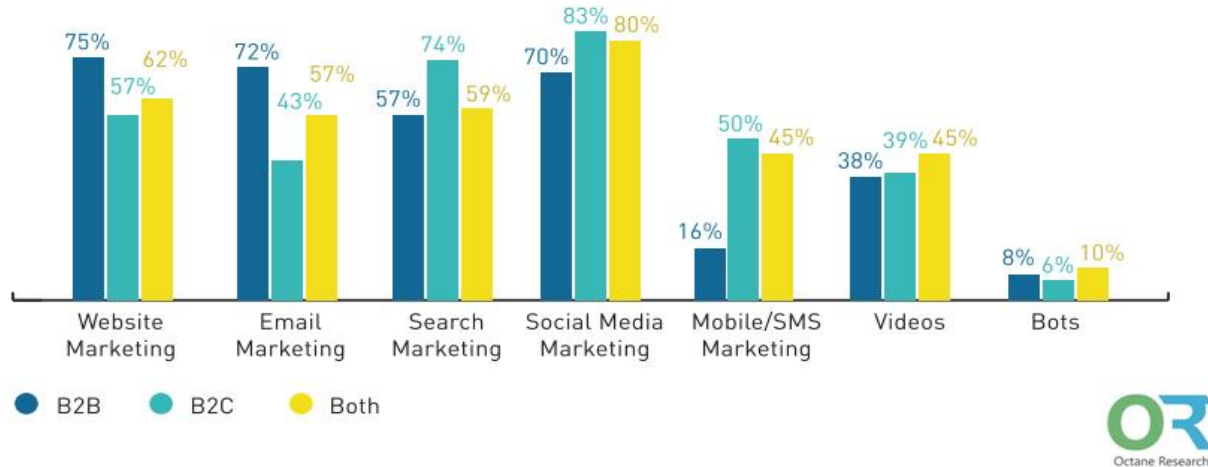
## **SIGNIFICANCE OF DIGITAL MARKETING**

With the advent of digitalization, consumers may expect to receive high-quality goods at their doorsteps, customized to their preferences and accessibility from anywhere in the nation. It is the foundation of competitiveness, which strengthens an organization's capacity to dominate markets abroad. Digital marketing offers both B2B and B2C marketer's new opportunities to market their brands on a variety of platforms, including websites, email, social media, organic search, paid search, mobile, and display ads. However, before developing a successful digital marketing strategy, marketers must first understand the various channels, including their benefits and drawbacks.

Look at the top internet channels used by Indian B2B and B2C marketers in 2018:

- B2B marketers reported using website marketing as their primary online marketing channel 75% of the time in 2018, while B2C marketers reported using social media marketing as their primary online marketing channel 83% of the time.
- In 2018, B2B marketers selected email marketing as their second-most used online marketing channel, with a rate of 72%, while B2C marketers said search marketing was their second-most used online marketing channel, with a rate of 74%.
- With an 80% usage rate, social media marketing was the main online marketing medium for both B2B and B2C marketers.

### Which of the following were your primary online marketing channels in 2018?



**A Graph Shows The Indian Marketers Online Marketing Channels in 2018.**

## ANALYSIS AND INTERPRETATION OF DATA

**TABLE 1-RESPONDENTS' AGE**

S.NO	AGE	FREQUENCY	PERCENTAGE
1	Below 25 Years	18	12
2	26-30	32	21.33
3	31-35	47	31.33
4	36-40	53	35.33
	TOTAL	150	100

Interpretations- According to the aforementioned figure, 42.7 percent of respondents are between the ages of 26 and 30 years, and 1.3 percent is between the ages of 31 and 35 years.

**TABLE 2- INFORMATION SOURCE FOR PRODUCTS/SERVICES**

S.NO	OPTIONS	FREQUENCY	PERCENTAGE
1	Social media	93	62
2	Advertisement	18	12
3	Website	29	26
	TOTAL	150	100

Interpretation- It can be deduced from the above table that 62 percent of respondents get their information from social media, 12 percent from advertisements, and 26 percent from websites.

**TABLE NO.3-CHOICE OF HOW TO OBTAIN THE INFORMATION**

S.NO	OPTIONS	FREQUENCY	PERCENTAGE
1	Social media	67	44.67
2	E-mails	45	30
3	Advertisement	16	10.67
4	Website	10	6.67
5	Stores	12	8
	TOTAL	150	100

Interpretation- It can be deduced from the above table that 44.67% of respondents prefer social media to websites for informational purposes, while 6.67% prefer websites to social media.

**TABLE NO.4-CONNECTION BETWEEN CONSUMER BUYING DECISIONS AND PROMOTION STRATEGIES**

	[Frequently]		[Non-frequently]	
	Regression coefficient	t-value	Regression coefficient	t-value
Coupons	0.053	1.13	- 0.076	- 1.65
Free gift	-0.114	-1.67	0.132	2.01
Discount	0.110	1.48	- 0.047	- 0.74
Contests	-0.002	-0.089	0.018	.38

\*t-values at 5% significance level

### **Hypothesis Testing [H1]**

The t-values of free gift in Table-4, which are -1.67 for spontaneous and insignificant and 2.01 for non-spontaneous, show that the results show no link between spontaneous consumer behaviour and free gifts. Consumers quickly decide not to shop after being exposed to advertisements across multiple media. Other schemes' t-values don't matter. Advertising tactics and non-spontaneous customer behaviour are therefore unrelated.

### **Hypothesis Testing [H2]**

H0 - There is no connection between age and the amount of time spent making online purchases. H1: There is a strong correlation between age and the length of time spent making an online purchase. Conclusion: The preceding table shows that the p value is 0.000, which is less than 0.05. The null hypothesis (H0) is therefore rejected, while alternative hypothesis (H1) is accepted. As a result, there is a strong correlation between age and online goods purchases.



## SUGGESTIONS OF THE STUDY:

There are several recommendations that are crucial to comprehend.

1. Before introducing any product on their websites, marketers should be aware of the public's access to digital facilities.
2. Marketers should carry out pre-market research to determine consumer needs and desires, particularly in relation to digital marketing.
3. Consumers, particularly the underprivileged and illiterate segments of society, need to be made aware of this industry. Programs for raising awareness must be posted.
4. This study reveals and explains why consumers are risk adverse, and as a result, it is necessary to teach them how to manage the risk connected with digital marketing.

## CONCLUSION

Since customers are happy with the items, there is favourable growth in the digital channels. In a dynamic world, understanding consumer psychology is crucial. To ensure the sustainability of the business, it is important to correctly comprehend the constantly evolving purchasing patterns of consumers in the digital age. Today's marketers must deal with a number of risks and obstacles brought forth by the revolutionized economy.

Consumer behaviour has improved as a result of digitization. Due to their busy schedules, working couples in large cities are experiencing the greatest change, as it is easier for them to make purchases and payments wherever they are at any time. Additionally, consumers receive rewards from digitization in the form of coupons, gift cards, discounts, cash back, and cash discounts, all of which encourage them to use digital transactions. It is crucial in the current environment to combine all activities through digital platforms.

## REFERENCES

- A.M. Hasan, M. b. (2006). Conceptualization and measurement of perceived risk in online shopping. *Marketing Management Journal*, 138-147.
- Atkin C.K., “Observation of Parent-Child Interaction in Supermarket Decision-Making”, *Journal of Marketing*, vol. 39, no. 4, pp. 41-45, 1978.
- Belch, M.A. and Laura A.W., “Family decision at the turn of the century: Has the Changing structure of households impacted the family decision-making process?”, *Journal of Consumer Behavior*, vol. 2, no. 2, pp. 111-24, 2001.
- C.R.Kothari, *Research Methodology Methods and Techniques*, New Age International Publisher.

## **A COMPARATIVE STUDY ON THE NON-PERFORMING ASSETS MANAGEMENT OF PNB AND HDFC BANK**

Dr. Sony Tulsani\*

### ***Abstract***

*In India's economy, private and state banks play a critical role. As the first kind of banking, they are responsible for a large number of transactions dispersed over a wide area. The banking sector is crucial to the development of India's economy. These days, non-performing assets (NPAs) constitute a major issue for banks. Financial institutions are particularly concerned about non-performing assets (NPAs). Nonperforming assets are hurting the bank's bottom line (NPAs). More provisioning was required because of the rise in nonperforming assets, and this had a negative effect on profitability. This research examines PNB and HDFC Bank's non-performing assets management using secondary data collecting. Non-performing assets (NPAs) are on the rise in banks, and this paper investigates the reasons behind this trend and makes some suggestions.*

**KEYWORDS:** NPA, Gross NPA, Net NPA, Gross Advance, Profit.

### **INTRODUCTION**

It is very necessary to have a robust banking sector in order to have a healthy economy. One of the most fundamental tasks that banks are responsible for is taking deposits and granting loans. It involves allocating financial resources so that the nation's expansion and improvement may take place. The failure of the banking industry has implications for other sectors of the economy as well. Nonperforming assets are a significant cause for concern for all banks in today's environment.

An elevated level of nonperforming assets, often known as NPAs, may have a negative impact not just on a bank's earnings but also on its net worth and asset quality. When principle and interest are due on an asset but are not collected, the quality of the asset is referred to be non-performing (NPAs).

\* Guest Faculty , Department of Accounting, JNV University, Jodhpur

### **STRUCTURAL CONCEPTUALIZATION OF THE NPA**

Non-performing assets, often known as NPAs, are assets that have not met the provisioning criteria for their interest or principal payments in a timely manner.

The debt is considered to be in default when either the principle or interest payments are paid late or not at all. When the lender breaches the conditions of the loan agreement and the borrower seems unable to meet or fulfil his responsibilities, this is regarded to be a case of the borrower being in default on the loan. Nonperforming assets (NPAs) may be broken down into two categories: gross and net NPAs.

The term "gross non-performing assets" (NPAs) refers to advances that are thought to be unrecoverable, for which a bank has made a provision, but which are nonetheless kept in the bank's accounting record. This word comes from the acronym NPA, which stands for "non-performing assets." This provision was made because the bank believes that the loans would not be recouped. To put it another way, it is the total value of all non-standard assets, which includes assets that are questionable, assets that have suffered losses, and assets that do not meet standard requirements. The amount after the bank has deducted the provision for nonperforming assets to arrive at the net nonperforming asset balance.

Net nonperforming assets (NPA) reveal banks' true burden. According to central bank guidelines, Indian banks must make large provisions for NPAs. This is because recovering and writing off loans in India takes time, and bank balance sheets include a lot of nonperforming assets (NPAs). This is why.

### **REASONS OF NPAS**

- Consumers not being careful and choosing activities that aren't right for them.
- Weak credit assessment techniques or systems.
- Illness in the workplace.
- Poor management of borrowers.
- Poor loan management and supervision.
- Insufficient attention or follow-up from financial institutions such as banks.
- A sluggish or stalled economy overall.

### **GOALS OF THE STUDY**

- To investigate the changes in NPA that have occurred at PNB and HDFC over the last several years.
- The goal of this research is to determine the extent to which NPA influences performance.
- To evaluate whether financial institution is superior to others in the management of its nonperforming assets (NPAs).
- to have a better understanding of the factors that contribute to NPAs.



## REVIEW OF THE LITERATURE

Research on the management of non-performing assets has led academics to the conclusion that financial institutions should explore the fundamental motives that borrowers have for requiring loans, according to Chatterjee, Mukherjee, and Das (2012). In addition to verifying the proper identification of the guarantor and reviewing any relevant documentation, the bank should also do a comprehensive analysis of the wealth of the guarantor providing the guarantee. That is very thoroughly documented in preparation for the loan, as well as the standards and regulations."

"The study indicates that the situation of NPAs in India is improving, as stated by Dr. Poonam Mahajan (2014)," In spite of the fact that there has been a general trend toward NPAs going down during the course of the study period, the proportion of non-performing assets held by public sector banks continues to be much higher than that of other institutions. When compared to the top management of public sector banks, those in the private and international banking sectors come out on top in terms of professionalism, core competence, and specialty expertise. As a result, this is the reason why they are more capable of creating tactics for collecting cash owed to them by borrowers (both individuals and institutions)."

According to Chaudhary and Sharma (2011)'s research, Performance of Indian Public Sector Banks and Private Sector Banks: A Comparative Study, in order to cut down on non-performing loans (NPA), it is vital to develop processes that are both appropriate and stringent. It is recommended that an effective and efficient MIS be developed. When it comes to preventing advances from developing into non-performing assets, bank workers who are authorised to provide them need to be informed on the necessary documents, proficient in technology, and motivated to do so. Public sector banks need to focus on their operations and nonperforming assets (NPAs) if they want to compete with commercial banks. When it comes to selecting loans or projects and analysing financial records, banks need to use extreme caution.

" The findings of his investigation," Bhatia (2007), The book "Nonperforming Assets of Indian Public, Private, and Foreign Sector Banks: An Empirical Assessment" investigates the NPAs that are held by Indian banks that are in the public sector, the private sector, and the foreign sector accordingly. In order to determine how well a bank is doing in general and to evaluate the bank's overall financial health, an examination of the bank's nonperforming assets, which is also frequently referred to as NPAs, is performed. This evaluation is done. Both the expansion of the banking system and the entire system's ability to maintain its financial stability are influenced by the total amount of loans that are deemed to be nonperforming (NPAs). An inquiry of the myriad of factors that lead to bank loans being unrepaid is presented here in this article.

The purpose of this study, as stated in Mistry and Savani's 2015 article, was to investigate and classify Indian private division banks according to the monetary characteristics that set them apart from one another, as well as to evaluate how effectively these banks manage monetary-related operations. They concluded that there is a positive link between resource utilisation and resource estimate, but that there is a negative association between return on resources and operational productivity.

#### SCOPE OF THE STUDY

The results of this research may help banks better their current financial situations or increase the amount of money they bring in.

- One possible use for this study is to evaluate the performance of the bank.
- This study has the potential to also reveal the factors that are causing the increase in NPAs.
- This study also gives light on how nonperforming assets (NPAs) influence the profitability of banks.

### RESEARCH METHODOLOGY

The primary and secondary data that have been examined in the past will serve as the basis for the current inquiry. The information was collected from a wide variety of web sources in addition to yearly reports supplied by a variety of different financial organisations. Statistical approaches and analysis of trends were used in order to carry out the task of conducting an analysis of the data that was acquired. Tables are often used to make the presentation of data in an official fashion. In addition, a graphic depiction is provided for your viewing pleasure in order to help you better understand the content.

### DATA ANALYSIS AND INTERPRETATION

#### Advances, Profit, Gross NPA & Net NPA of both Banks

Year	Total Advances		Net Profit		Gross NPA		Net NPA	
	PNB	HDFC	PNB	HDFC	PNB	HDFC	PNB	HDFC
2016-17	419493	554568	1324	14550	55370	5886	32702	1844
2017-18	433734	658333	-12283	17487	86620	8607	48684	2601
2018-19	458249	819401	-9975	21078	78472	11224	30037	3214
2019-20	471287	993702	336	26257	73478	12650	27218	3542
2020-21	674230	1132836	2021	31116	104423	15086	38575	4554

Chart No.1 Gross Total Advances

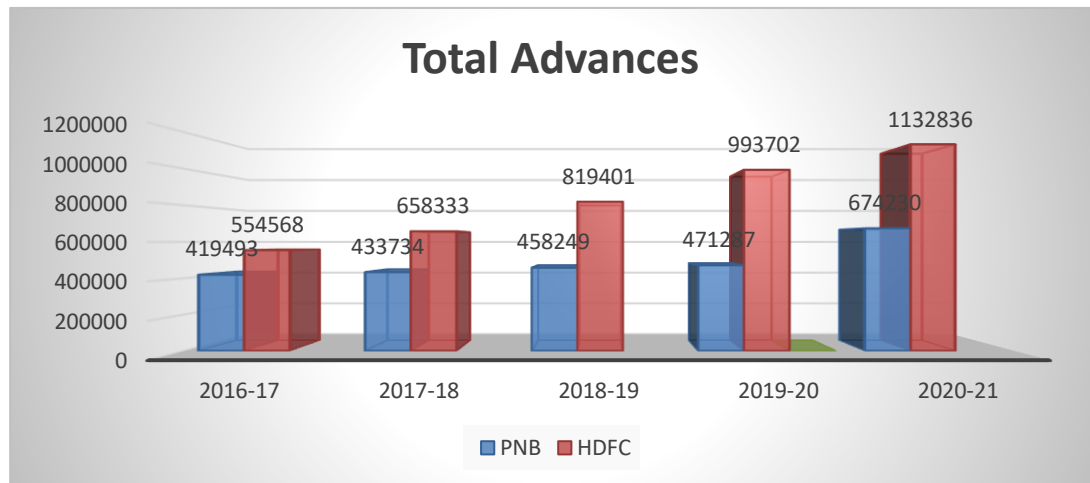
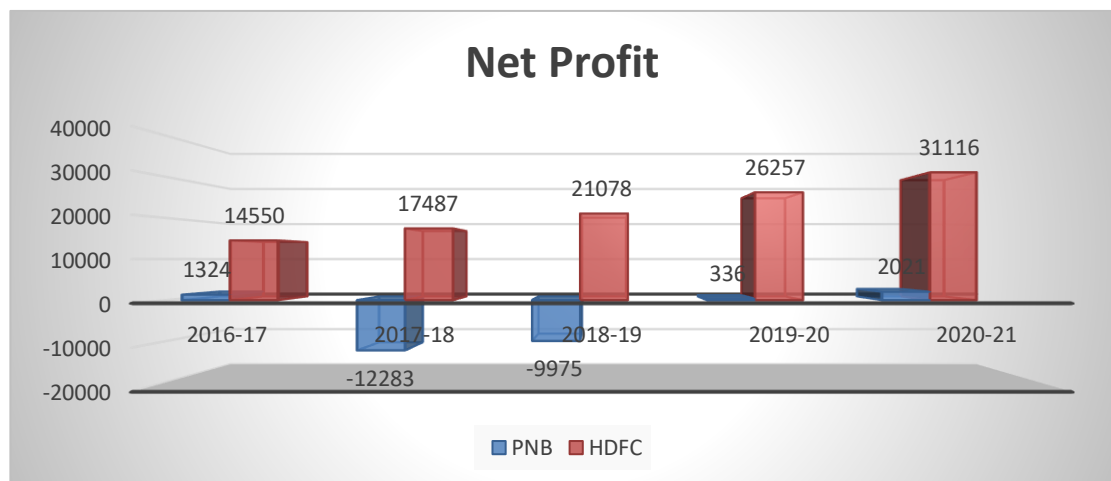
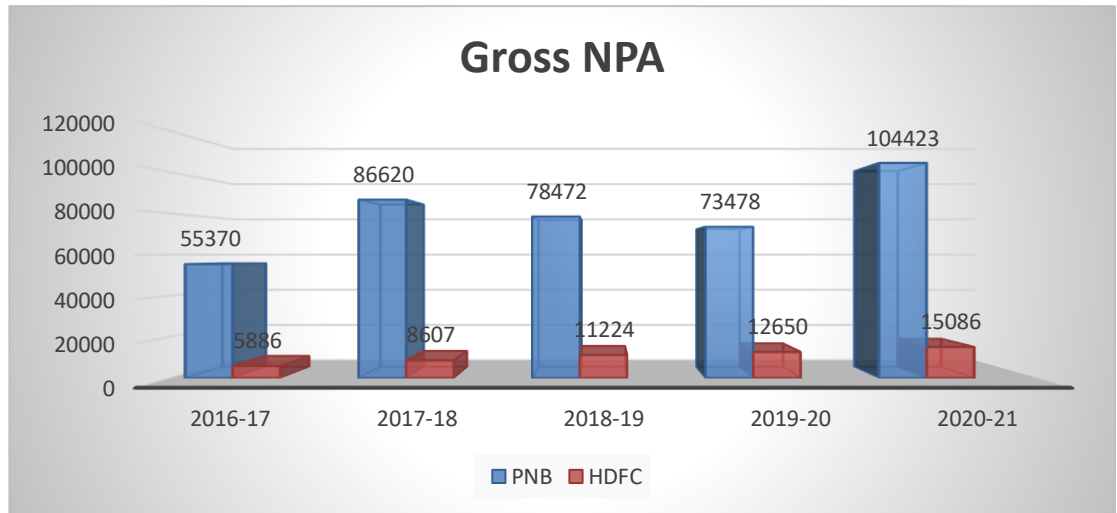


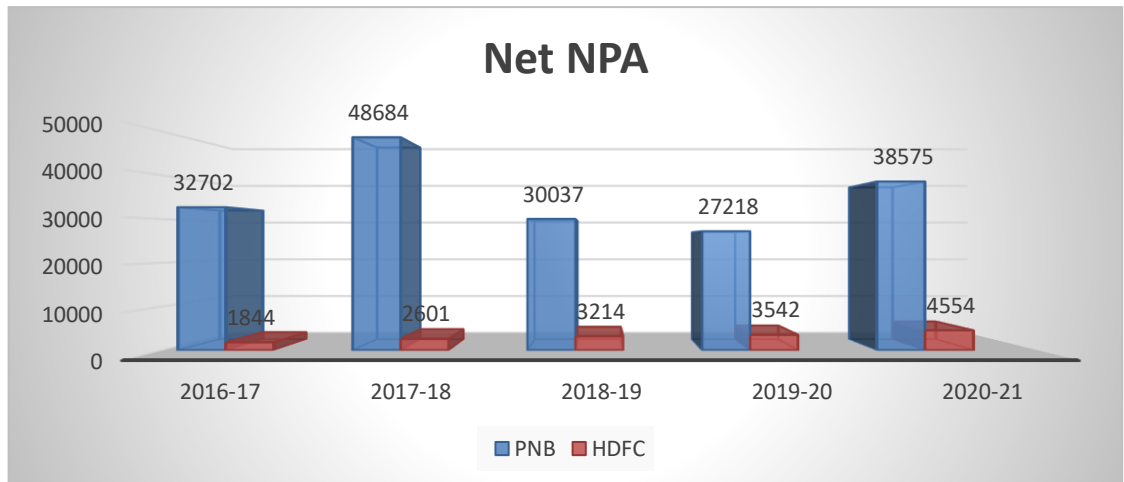
Chart No.2 Net Profit



**Chart No.3 Gross NPA**



**Chart No.4 Net NPA**



It is evident from the following statistics that Net Profit in HDFC Banks is steadily growing, from 14550 in 2016-17 to 31116 in 2020-21, whereas Profit in PNB is not constant, varying from 1324 in 2016-17 to loss 12283 in 2017-18. This discrepancy in profitability can be attributed to the fact that HDFC Banks are more focused on investing their money in technological advancements. This discrepancy can be attributed to the fact that HDFC Banks have been more successful in investing their capital. The ratio of non-performing assets held by PNB is higher than that of HDFC Bank, both in terms of gross and net NPA. As a consequence of this, we are able to draw the conclusion that HDFC Bank's profitability and its handling of NPAs are better than those of PNB Bank.

When compared to PNB Bank, the capital adequacy ratio of HDFC Bank is much higher. This further supports the notion that HDFC Bank's management is of a higher calibre.

The non-performing assets (NPAs) of PNB Bank need to be a concern for the bank because they have a negative impact on profitability. This is evident from the fact that the bank's gross NPA and net NPA nearly doubled from the previous year's figures, while the bank's net profit turned out to be negative.

## **REASONS OF NPAS FINDING**

The data analysis that was done above led to the development of the following findings:

Why PNB Bank has a larger percentage of non-performing assets compared to HDFC Bank, and the analysis reveals that large NPA increases are caused by priority sectors that are suggested by the government.

- The ratio of capital adequacy at PNB is lower than that at HDFC Bank.
- There has been a general upward trend in advances granted by both of the banks.
- Over the course of the last many years, the net profits of PNB have varied, whilst those of HDFC Banks have remained reasonably stable at roughly 10,000 crores.

The performance of the private sector bank HDFC is much better than that of the public sector bank PNB Bank in terms of the percentage of gross nonperforming assets. HDFC bank also performs significantly better than PNB bank in terms of the percentage of net nonperforming assets.

### **SUGGESTIONS**

- Before granting a loan, the banker needs to exercise extreme caution and make certain that the customer is a person of high integrity, reliability, and good character; that the company or business for which the loan is requested is healthy; and that the customer is capable of successfully conducting business. In addition, the banker needs to ensure that the company or business for which the loan is requested has a positive financial outlook.
- A banker is obligated to examine the balance sheet, which, when combined with an evaluation of the company's profit and loss as well as an examination of the balance sheet, depicts an accurate picture of the business. Before granting the loan, financial institutions have to determine its desired purpose and the actual demand for loans.
- The problem need to be identified from the very beginning or very early on so that businesses may take all of the necessary precautions to stop an asset from becoming a nonperforming asset (NPA), and financial institutions can take all of the necessary precautions to recover NPAs.
- Before extending credit, each financial institution need to have its own in-house credit scoring and training agency, which would be responsible for educating employees and determining whether or not a customer can afford credit.

### **CONCLUSION**

According to the results of the study, the most important obstacle that HDFC Bank and Panjab National Bank must overcome in the current environment is the one provided by their non-performing assets. This is the case regardless of the fact that the two financial institutions are competitors. This is due to the fact that these assets bring about a reduction in the liquidity balance of the banks and create bad debts for those institutions, both of which bring about the outcomes that have been discussed above. Each of these financial institutions has seen a decline in profitability as a direct result of the progressive increase in the number of loans that have been categorised as being non-performing over the course of the previous few years. When the data from the two financial institutions were compared, it was found that PNB had a greater amount of non-performing assets (NPAs) than HDFC Bank had. This conclusion was reached based on the comparison of the two banks. The fact that PNB has not been able to maintain its profitability is more proof that the bank's overall management is not getting any better. This comes as a direct result of the bank's non-performing assets to total assets ratio continuing to rise in recent months. On the other hand, ever since the fiscal year 2017–2018, HDFC bank has seen a constant drop in the total quantity of net nonperforming assets that it has. This trend began in the bank's second year of operations. They are in a far better situation than PNB, as can be seen by comparing the two companies. The HDFC Bank has continued to demonstrate strong performance throughout the course of the many years that have passed since it was founded. On the other side, the challenge that the PNB Bank is facing is that the income generated by its assets is not sufficient to meet the costs that the bank incurs. It would be detrimental to the ability of banks to do business if the management of banks' non-performing assets was not recognised or given the necessary amount of attention.

## REFERENCES

- Poonam Mahajan (2014), Pacific Business Review International Volume 7, Issue 1, July 2014/pp-9- 16
- Bhatia, “Non-Performing Assets of Indian Public, Private and Foreign Sector Banks: An Empirical Assessment”, ICFAI Journal of Bank Management, Vol. 6, No. 3, pp. 7-28, 2007.
- K. Sasi Kumar, N.C.Rajyalakshmi (2016) Financial Analysis of Indian Public Sector and Private Sector Banks Using CAMELS Approach, 41-56
- Bhatia, K., Chauhan, N. & Joshi, N. (2015). Comparative Study of Performance of Public and Private Sector Bank. International Journal of Core Engineering & Management, 306-317.
- Bodla, B.S. and Verma, R. (2006). Evaluating Performance of Banks through CAMEL Model: A Case Study of PNB and ICICI. The ICFAI Journal of Bank Management, 5(3), 49-63.
- Chatterjee, C. and Mukherjee J. and Das, R. (2012) – ‘Management of Non-performing Assets – A current scenario’. International Journal of Social Science & Interdisciplinary Research. Vol. 1 Issue 11.
- Davoudi SMM, Fartash Kiarash, Venera GZakirova, Asiya M Belyalova, Rashad A
- Kurbanov, Anna V Boiarchuk, Zhanna MSizova (2018).
- HDFC Bank (2006-2015). Published Annual Reports from 2006-07 to 2015-16. Website of HDFC Bank. Ibrahim, M. (2014),
- A comparative performance of two Banks in United Arab Emirates, Research Journal of Finance and Accounting, 5(21), 24-29.
- Jha, S., Hui, X. (2012), A comparison of financial performance of commercial Banks: A case study of Nepal. African Journal of Business Management, 6(25), 7601-7611.
- Punjab National Bank (2006-2015). Published Annual Reports from 2006-07 to 2015-16. Website of Punjab National Bank. Samad, A. (2007).
- Comparative Analysis of Domestic and Foreign Bank Operations in Bangladesh. The Global Journal Finance and Economics, 4(1), 37-46.
- Singh, A.B. & Tondon, P. (2012). A Study of Financial Performance: A Comparative Analysis of PNB and ICICI Bank. International Journal of Marketing, Financial Services & Management Research, 1(11), 56-71.
- **Websites**
- [www.google.co.in](http://www.google.co.in)
- [www.moneycontrol.com](http://www.moneycontrol.com)
- [www.financialexpress.com](http://www.financialexpress.com)
- [www.PNB.co.in](http://www.PNB.co.in)
- [www.hdfcbank.com](http://www.hdfcbank.com)
- [www.rbi.org.in](http://www.rbi.org.in)
- <http://www.equitymaster.com/stockquotes/mystocks.asp>
- [www.investorsworld.com](http://www.investorsworld.com)
- <http://en.wikipedia.org>

## Artificial Intelligence must be a Revolutionary Technique of Marketing in Medical-Tourism

Dr. Umaid Raj Tater\*  
Mrs. Anita Jain\*\*  
Mr. Jai Tater\*\*\*

### Abstract

*This paper presents the role of computer science (AI, GPT-3 i.e. the third generation generative pre trained transformer) and Machine Learning within the health tourism industry. A neural network machine learning model called **GPT-3** was trained using internet data to produce any kind of text. The various technologies articulated to enhance the service and customer experience in HT (Health Tourism) sector. The expected changes and challenges in health tourism within the future are centric during this study. While AI improves tourist experience services it cannot replace the human touch, the factor of experiential medical tourism. AI is a valuable addition to the longer term of selling tools. It is now easier to plan a visit because of the increase of artificial travel intelligence. AI provides automated, personalized, and informative travel services. the times changes when you had to contact an agent, meet with him personally, and make a never-ending series of frustrating phone calls to enquire about travel arrangements. The Medical Tourism market is witnessing an honest and better transformation of the employment of AI i.e. artificial intelligence and ML i.e. machine learning, which can improve the complete experience of tourists. Chat-bots, video game, language translators, and other developing technology of GPT- generation are hand-me-down efficiently within the Travel, Tourism, and Hospital business. In the current context, the appliance and performance of AI and Machine learning are narrated using relevant industrial applications and ideas. This paper highlights the numerous technologies that will be used in the future.*

**Keywords:** Artificial Intelligence, Machine Learning, Technology, Chat-bots, GPT-3.

---

*“Artificial intelligence is one of the most profound things we’re working on as humanity. It is more profound than fire or electricity.” - Sundar Pichai*

\* Assistant Professor, Department of Business Administration, JNV University, Jodhpur

\*\* Research Scholar, Department of Business Administration, JNV University, Jodhpur

\*\*\* Research Scholar, Department of Accounting, JNV University, Jodhpur



## Introduction

Artificial Intelligence technology is one among the foremost original innovations that have transformed numerous sectors within the world in these technologically advanced times. Computing (AI) defines because the development of computer systems capable of executing tasks that require human intelligence (Russell and Norvig, 2016, p. 4). AI first appeared in John McCarthy's Dartmouth Summer scientific research in 1956. Many AI breakthroughs have followed over the years, including heuristic searches, character identification, face recognition systems, language processing, and therefore the notion of mobile robots. By the 1980s, significant conceptual advances within the technology-driven sector had been masterly, and its application had risen dramatically (Issa et al., 2016). Artificial Intelligence and machine learning-backed technologies are improving day by day. As a result, they detached diverse domains of our lives like health, security, Finance, and plenty of more. During this article, we've majorly focused on the Health sector of the masses. As a result, we chose the sphere of "Medical Tourism," which grew significantly following the COVID-19 Epidemic. Medical tourism is when someone travels to a different country for medical aid. Millions of Indian citizens travel abroad for medical treatment each year. Medical tourists of medical fields from India frequently visit Mexico and Canada, in addition as Central America, South America, as per reports, <https://wwwnc.cdc.gov/travel/page/medical-tourism> report published on the web site. People might travel abroad for a variety of health-related reasons, including:

- Cost: to induce treatment or a procedure more cost effective in another country.
- Culture: To receive care from a healthcare provider who shares the traveler's culture and language.

Typically, those who travel for medical tourism seek for care, surgery, cosmetic procedures, fertility treatments, organ and tissue transplants, cancer therapy, etc. This reason gives vision to demonstrate how AI techniques have penetrated the Medical Tourism sector and influenced the hospital environment in radical ways. Now the aims is to produce detailed information on the various AI technologies platforms, and their consequences, challenges, and future possibilities within the Travel, Tourism, and Hospitality industry. In these highly developed technical times, the issue can throw light on the capability of AI and its effects on the medical industry. Here you can find a critical overview of how AI has changed the travel and medical tourism industries.

## **Research Objective**

The high expense of treatment, long wait duration for a few treatments, the convenience and affordability of overseas travel, and advancements in both technology and standards of care in many nations are all contributing to the growing popularity of medical tourism. That latest trend of AI Technique should be useful.

AI technology can outperform humans by providing a good style of information on all critical elements during a short amount of your time.

Customers' needs are readily met by computing, which provides them with timely information. Interactive messaging, self-service technologies, Chat-bots, audio tours, virtual tours, face recognition technology, language translations, cross-selling & up-selling, competitive pricing, simple shopping, and other methods are covered well within the following sections. GPT-3, or the third generation of Open AI (Artificial Intelligence) Generative Pre-trained Transformer, is also able to provide better service during a short duration of your time.

## **Meaning of Artificial Intelligence**

Artificial intelligence is the intelligence demonstrated by machines that can assist in the performance of various activities through sentiment analysis and Natural Language Processing (NLP). This technology enables machines to learn on their own from previous data and information, make sense of it, and use it to do various business activities. AI is a subset of Machine Learning and Deep Learning, each of which has its own set of responsibilities when it comes to equipping machines.

## **Artificial Intelligence in Medical tourism**

There are a number of new technologies that have emerged in the artificial intelligence field. These innovations assisted in the creation of the Generative Pre-trained Transformer, a new type of GPT-3. These technologies include facial recognition software, virtual reality programmes, chatbots, robots, Google Maps AI, language translators, audio tours, easy shopping, and more.

### **1. Facial recognition**

Facial Recognition is an AI tool that is gaining traction and being used in a range of industries for a variety of uses. In the medical area, facial recognition is also being utilized on a large scale for clinical outcomes.

## **2. Virtual reality**

In the medical tourism and hotel industries, virtual reality applications are commonly used. Hypervisor rooms, virtual strategies, and virtual reservation interfaces are just a few examples. Virtual treatment tours, which are presented in the form of three D-videos, show the Hospital's surroundings and services. This allows clients to examine the Hospital's features in real time (Barnes, 2016).

### **2.1. Chat-bots**

“A chat-bot is a piece of software that facilitates a dialogue through aural or written means.” A chat-bot, at its most basic, is a computer programme that mimics and interprets human interaction (spoken or typed), enabling users to converse with digital gadgets as if they were speaking to real people. Chat-bots are classified into two types: text message-based Chat-bots and voice-based Chat-bots. Text message-based Chat-bots respond to client inquiries by sending text messages. Voice-based Chat-bots respond to client inquiries by sending voice-based messaging (Kumar *et al.*, 2018; Kumar *et al.*, 2016). Chat-bots for hospitality can help you provide a wonderful visitor experience. Few hospitals use the Chat-bots namely, AIIMS, Medanta, Lilavati Hospital and Research Centre Et-cetera.

### **2.2. Robots**

This Internet of Things (IoT)-enabled assistants do simple duties such as turning on the bedroom lights, turning off the television, handling systems to ensure luggage is checked in automatically, and welcoming hospital visitors.

### **2.3. Google maps**

Google Maps, which uses GPS technology, benefited tourists by keeping them updated on routes. The inclusion of Cognitive Technologies into Google Maps improved the amount of data collected by alerting users to accidents and traffic bottlenecks. Although Google Maps facilitates travel by providing accurate instructions, travelers sometimes confront a similar issue.

### **2.4. Language translators**

Traveling to a distant nation may be difficult, especially when language obstacles exist. This issue can only be solved if the passengers hire a local guide who speaks the local language. However, by turning the more into familiar languages, software apps can serve as a substitute for a professional guide. These functions would be performed by a few apps, including "Google Translate". These apps would even allow tourists to speak with locals in their own tongue.

### **2.5. Optimization services**

This program would show when prices are likely to rise and when values are likely to fall (Kumar *et al.*, 2018; Song and Jiang, 2019). As a result, it recommends to consumers the ideal price-wise timings.

### Sources of healthcare data and medical data

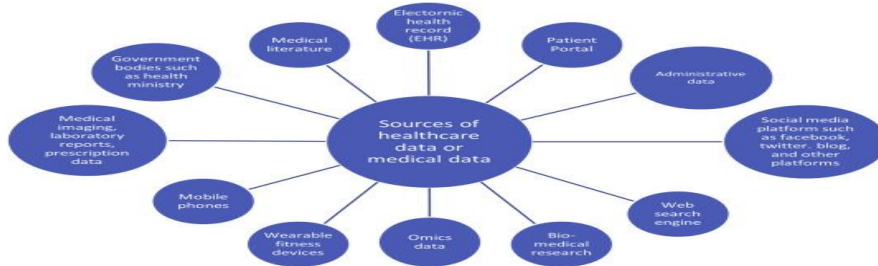


Figure: Possible Sources of big data in the healthcare industry.

### Advantages and challenges of artificial intelligence

Everything, including the usage of AI, should be balanced. While this technology has various advantages in the world of healthcare, it also has significant drawbacks. Aside from the advantages, you will now learn about the AI problems in healthcare.

#### Advantages

- Enhanced diagnosis
- Better serves remote areas
- Improved clinical procedures
- Helps in streamlining a number of processes
- Early detection of disease
- AI can analyse tests, X-rays, CT scans, data entry, and other monotonous jobs faster and more precisely. The amount of data to evaluate in cardiology and radiology can be intimidating and time-consuming.
- AIs have been developed to assess data, including notes and reports from patient files, outside research, and clinical experience, to help choose the best and most individualised treatment course.
- A medical consultation based on a user's personal medical history and general medical knowledge can be provided through an app.
- People can monitor the patient's status and continue with therapies in between doctor appointments with the aid of a digital nurse.
- Wearable fitness trackers keep an eye on exercise and heart rate. They can notify users to move more and share this information with medical professionals (and AI systems) to gather more information on patient behaviours and requirements.

## **Challenges**

- The use of artificial intelligence by illiterates is still restricted, despite the technology's rapid advancement. With creative solutions, new technologies, and updated policies, these restrictions must be overcome and will be as soon as necessary. No matter in which endeavors AI replaces human labor, causing the dispute over whether AI will eventually replace human intelligence, there are still a lot of outstanding concerns in many different commercial fields that need to be addressed. Even while "Artificial Intelligence" is saving businesses money by replacing workers and giving customers a unique experience, it cannot yet match human intelligence because this field is still in its development.
- It poses a threat to privacy and data security.
- Small service providers cannot purchase these technologies since they need a large investment.
- A key issue with these software-controlled services is that a minor malware threat can interrupt the software programmes and operations of the service providers, resulting in trouble.
- Chatbots are limited to answer the simple questions. When it comes to complex issues customer still rely on human help.

## **Conclusion & Suggestion**

The medical tourism sector is projected to reach inconceivable heights in the future as a consequence of global employment of modern technologies. According to a recent estimate, the global travel innovation business, which includes Artificial Intelligence, is expected to grow by more than 9percent of the overall between 2010 and 2023. The medical business is expected to undergo significant restructuring between 2018 and 2022 in order for human elements to adapt to the evolving communications networks. Technological considerations have the potential to shape the medical tourism industry's environment and operations.

To sum up all my point of views, I suggest to Organization operated by Government or Non-Government Organization (NGO) such as Private Sectors, MNC's and many more. They can seed this technique in the marketing field. And give proper serviceability to the people of the country.

## References

- Anup, S., Goel, A. & Padmanabhan, S. (2017). Visual positioning system for automated indoor/outdoor navigation. TENCON 2017-2017 IEEE Region 10 Conference, pp. 1027-1031.
- Anurag (2018). 4 Emerging trends of artificial intelligence in travel. Available at: [www.newgenapps.com/blog/artificial-intelligence-in-travel-emerging-trends](http://www.newgenapps.com/blog/artificial-intelligence-in-travel-emerging-trends) (accessed 5 September 2019).
- Azis, N.A., Hikmah, R.M., Tjahja, T.V. and Nugroho, A.S. (2011). Evaluation of text-to-speech synthesizer for Indonesian language using semantically unpredictable sentences test: indoTTS, eSpeak, and google translate TTS. International Conference on Advanced Computer Science and Information Systems, pp. 237-242.
- Barnes, S. (2016). Understanding virtual reality in marketing: nature, implications and potential: implications and potential. Available at: <https://ssrn.com/abstract=2909100> (accessed 3 November 2016).
- Bayern, M. (2018). 5 Ways AI powers business travel. Available at: [www.techrepublic.com/article/5-ways-ai-powers-business-travel/](http://www.techrepublic.com/article/5-ways-ai-powers-business-travel/) (accessed 5 September 2019).
- Beerli, A. and Martin, J.D. (2004). Factors influencing destination image. Annals of Tourism Research, Vol. 31 No. 3, pp. 657-681.
- Boiano, S., Borda, A. and Gaia, G. (2019). Participatory innovation and prototyping in the cultural sector: a case study. Proceedings of EVA, London, pp. 18-26.
- Bowyer, K.W. (2004). Face recognition technology: security versus privacy. IEEE Technology and Society Magazine, Vol. 23 No. 1, pp. 9-19.
- Bulanov, A. (2019). Benefits of the use of machine learning and AI in the travel industry. Available at: <https://djangostars.com/blog/benefits-of-the-use-of-machine-learning-and-ai-in-the-travel-industry/> (accessed 2 September 2019).
- Chang, H.-L. & Yang, C.H. (2008). Do airline self-service check-in kiosks meet the needs of passengers? Tourism Management, Vol. 29 No. 5, pp. 980-993.
- Honavar SG. Artificial intelligence in ophthalmology - Machines think! Indian J Ophthalmol 2022; 70:1075-9.
- Hassan, Viana & Bellos, Georges. (2022). COVID-19: Reshaping Medical Tourism through Artificial Intelligence (AI) and Robotics. Athens Journal of Tourism. 9. 77-98. 10.30958/ajt.9-2-2.

## Corporate social responsibility Practices of Bharat Petroleum Corporation Limited -A Case study

Mr. Vishal Anand\*  
Dr. Kritika\*\*

### Abstract

*Bharat Petroleum Corporation Limited, being an Indian Public sector undertaking is striving hard to perform their ESG (Environmental, Social and Governance) responsibilities to achieve the Sustainable Development Goals (SDGs) through their effective business strategies and policies. Researcher made an attempt in this study to explore CSR practices in various development areas like healthcare, training and education, environment sustainability, rural and community development in recent years by the Bharat Petroleum Corporation Limited. Data was collected from company's Annual reports as well as from CSR portal spanning the years 2014-15 to 2019-20. Apart from that Company's prominent thrust areas were explored and recognized. Bharat Petroleum Corporation Limited is among top 50 companies as per the Futurescape responsible business ranking 2020. So it is essential to study the CSR model of this particular company for its commendable work in the realm of sustainability, development and inclusive growth. For the present study researcher select Bharat Petroleum Corporation Limited for its commendable work in the area of CSR and their impacts on different sections of the society.*

*Keywords- CSR, CSR strategies, Bharat Petroleum Corporation Limited, CSR expenditure, Thrust areas, Impacts.*

### Introduction

The corporate social responsibility is that strategy of businesses that reflects an impact of business units on sustainable development. Sustainable development is a concept popularly conceived as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” – **BRUNDTLAND REPORT (1987)**. According to a considerable range of research evidence, not only does CSR benefit society, but it also offer a broad range of potential benefits to businesses that engage in meaningful CSR operations. (Amba & Rao 1993; Sen and Bhattacharya 2001; Lichtenstein et al. 2004; Fombrun 2005; Sen et al. 2006; Du et al. 2007; Uddin et al. 2008; Arevalo & Aravind 2011; Baumgartner 2014; Fatima R.2016).

\* Assistant Professor, Department of Commerce, R.K.S.D.(P.G.) College, Kaithal, Haryana

\*\* Assistant Professor, Department of Commerce, Dr. B. R. Ambedkar (P.G.) College, Jagdishpura Kaithal, Haryana

**United Nations Industrial Development organization (UNIDO)** defines CSR as “CSR is management concept where by companies integrate social & environmental concerns in their business operations & interactions with their stakeholders”. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental & social imperatives (Tripe-Bottom-line-Approach) while at the same time addressing the expectation of Shareholders & stakeholders.

In India, Prior to 2013, CSR was completely voluntary, but after the changes in the Companies Act 2013, which went into effect in 2014, the government made Corporate Social Responsibility (CSR) a mandate. Organizations or enterprises having a net worth more than 500 crores, a turnover more than 1000 crores, or a net profit more than 5 crores must spend 2% of their average annual income to CSR programs. Since then, companies have been deeply concerned about CSR and reporting in compliance with applicable laws. The entire objective of making CSR mandatory was that it would result in long-term, equal growth in all regions. Companies must develop a CSR Sustainability plan, establish a CSR committee, and disclose CSR actions in their financial statements and annual reports.

BPCL is indeed an Indian oil and gas company regulated by the government. Oil and Gas Ministry of the Indian government manage its operations and has its headquarter in Mumbai, Maharashtra. In Kochi and Mumbai, it runs two major refineries. India's 2nd largest oil company was rated 309th in the 2020 Fortune list of the largest companies worldwide.

BPCL was initiated as Rangoon Oil and Exploration Ltd., at the time of British rule. In 1976, the business was nationalized in accordance with the ESSO (1974), Burma Shell (1976) and Caltex Acts on the nationalization of foreign oil corporations (1977). The Indian government has acquired the Burma Shell on 24 January 1976 to create Bharat Refineries Limited. Bharat Petroleum Corporation Limited has been renamed on 1 August 1977. In 2017 Bharat Petroleum Limited (BPCL) was awarded the designation of Maharatna, which ranks it as one of India's biggest publicly held businesses with remarkably consistent earnings and a significant enterprise value.

### **Existing Literature review**

The concept of corporate social responsibility has been in force for many decades. CSR was initially explored in the 1930s, when a Harvard Review Paper advocated in support of management's social responsibilities (Dodd 1932). Corporate social responsibility (CSR) retains a prominent position on the world economic platform in today's socially progressive society. It contributes to society through philanthropic business practices and corporate donations (Kotler and Lee, 2005; Ali Rehman et. al. 2010; Porter and Kramer, 2006). Despite a lot of disagreement in the literature on firms' socially responsible actions, experts are having a hard time identifying the core concept of corporate responsibility (Ilinitich et al. 1998; Werther & Chandler 2005; McWilliams et al. 2006; Barnett 2007; Jamali et al. 2009).



In 1979, Carroll produced the initial four-part CSR pyramid, which was followed by a graphical representation of the CSR pyramid in 1991. All of the levels of CSR indicated in Carroll's pyramid apply in Europe, but they have different meanings and are interrelated in a different way (Crane and Matten 2007). Marsden (2001) is of the opinion that "Corporate social responsibility (CSR) is associated with a company's basic conduct and its accountability for its complete influence on the society in which it operates. CSR is neither an afterthought nor a philanthropic gesture. A socially responsible firm is one that "runs a profitable business while considering all of its favorable and unfavorable ecological, societal, and economical repercussions on society."

Visser have examined the Carroll's pyramid in developing countries/continents, specifically in Africa and claimed that the sequence of the CSR levels differed from the original pyramid (Visser 2011).

According to numerous studies, corporate social responsibility (CSR) is a consequence of a company's behaviour toward the diverse stakeholders, including customers, sellers, legislators, employees, shareholders, and societies (Campbell, 2012). Corporate social responsibility (CSR) refers to a firm's voluntary multifaceted operations that include societal, political, environmental, economic, and ethical actions (Carroll, 1999; Lee et. al. 2013; Sen and Bhattacharya 2006; Shuili & Sen 2009).

## **Methodology**

The current study employs a content analysis and exploratory research approach. A thorough review of the literature was conducted, with an emphasis on subject and basic problems. Secondary data is gathered in the form of quantitative data from a variety of sources, including books, academic research, journals, magazines, and websites. A case study technique was adopted to bring Bharat Petroleum Corporation Limited's CSR initiatives to spotlight.

## **Objectives**

The following specific objectives are necessary or appropriate for the current paper:

1. To look at the current state of CSR spending and the company's CSR profile.
2. To understand how Bharat Petroleum Corporation Limited has fulfilled its responsibilities to all of its stakeholders, as well as the particular initiatives, programmes, and policies that have been developed, structured, and executed.

### **CSR Profile of the Company**

BPCL CSR initiatives have collaborated in the pursuit of economic growth with several governmental departments, charitable groups and other implementation organizations. The Bharat Petroleum Social Responsibility Division registered during the previous year 90 lakhs of new LPG users under the state 'Pradhan Mantri Ujjwala Yojana' (PMUY). This takes to a total of two crores the amount of LPG connections through PMUY. The workers of the firm donate to the battle against COVID-19 Rs. 4.27 crores from their own wages. With the World's first, Seven Coach Healthcare Train, BPCL CSR just marked its presence on the global map.

The "Lifeline Express" medical center is equipped with operating theatres. It provides free medical care and is extremely attentive to People with disability (PwD). In the key domains of learning, skills acquisition, individual with disabilities, rainwater harvesting, cleanliness and wellness, BPCL Corporate Social Responsibility (CSR) operates. Responsible, synergistic effects collaborations (SDG 17) are important to initiatives in areas where it works to upgrade the most disadvantaged parts. A CSR Division and CSR Council are committed to the supervision and execution, and effect of plan, financing and openness in the employment of associates.

### **CSR Projects of the Company**

**Computer Assisted Learning (CAL)** – CAL is BPCL's leading CSR project on digital proficiency to well-deserved school children. Since the inception of CAL, 1 lakh youngsters have been educated in Lucknow, Jaipur and Mumbai. In the wake of COVID-19, online learning became even more essential. It has got to the realization that youngsters are unable to complete their education without computer knowledge. Another element of CAL is the fact that the turnover rates for government-school children have been reduced, who are sometimes readily distracted by learning material.

**Saksham-** Saksham initiative is just another key project that seeks to inspire the heads and instructors of schools. Professors at government schools particularly require assistance because they cannot frequently improve existing knowledge and competencies. In cooperation with the Pratham Infotech Foundation, Saksham operated between 2012 and 2019. The goal was to make the whole campus a fundamental transformation by educating instructors to manage, who in most instances are honestly overburdened. In 305 govt, private and municipality schools, Saksham has developed over 700 leaders-teachers. 162 educators and headmasters were taught in Mumbai last year by Saksham.

**BOOND** -In 2010 the BPCL launched the BOOND project to transform water-scarce communities into water-positive locations. Over the course of the past 10 years, BOOND has taken water-positive steps to protect this valued natural capital including collecting and watering, and retaining water for 280 communities. This program has received “The Asian CSR Award” and “The SKOCH Silver Award”. Project BOOND has now become a CSR initiative driving Atmanirbhar Bharat Abhiyan.

**Healthcare** - The healthcare CSR activities are connected with SDG 3: Excellent health and overall wellness through quality oriented operations of the healthcare industry. The most essential pieces of CSR in the context of health coverage are affordable healthcare and rehabilitation, upgrading current health facilities and addressing cancer sufferers and PwDs who need it.

**Development & training** – The govt's initiative 'Skill India' has been emphasized by BPCL CSR. It is putting up additional skill development institutes (SDIs) to encourage young people in the direction of Atmanirbhar Bharat.

**Bandicoot robotic scavenger**- The practice of manual scavenging is among the most dangerous to man's life. Bandicoot robotic scavengers are innovative step in this regards where, Health workers are employed to use a robotic device for scavenging. BPCL collaborates with local municipal companies to supply a robotic manhole cleaner named Bandicoot to eliminate this practice of manual scavenging. BPCL CSR also develops healthcare personnel' ability so that they can use Bandicoot and maintain a healthy lifestyle independently.

**Rural Development** – The large rural developmental and infrastructural construction initiatives are supporting CSR activities from the BPCL. At first, needs evaluation study identifies the specific requirements of every remote region, including supplying drinkable water completely for free, creating new livelihoods for locals, putting up libraries for children and young adults to read at liberty, and centralized kitchen wherein meals is accessible for everybody.

**Solid Waste Management**- The self sustaining models for waste disposal which received the CSR Golden Peacock Prize in January 2019 are an additional prize-winning project. The dried debris will be recycled and the watered food scraps for decomposition will be stored away. They sell the "black gold" i.e. manure and also produce some additional money.

**Sanitation Units**—The Company has constructed 4,300 sanitation units in line with the Swachh Bharat Abhiyan and IEC “Information, Education and communication” for rural schools and communities, houses and small communities. In accordance with PwD, the company also instructed customized toilets for physically impaired individuals.

**Butterfly Parks**- The prevalence of butterflies signifies a sustainable ecology. Butterflies parks were what they seem like, a nurturing home for all these lovely animals. In order to preserve diversity, the firm established Butterfly Garden at their plants in Mumbai and Kochi. The juice for butterflies, honeybees and bugs is supplied by around 2,500 plant & trees.

**Waste plastic road-** The experts at CRDC (Corporate research and development centre) have invented a way of using plastic pollution in the construction of versatile flooring. Recyclables are processed using solvents and pulled into plates, which subsequently comprise the basis level of the surface.

### **Data Analysis and Interpretation**

For the present study comparative data analysis has been done to study the actual status of CSR of Bharat Petroleum Corporation Limited. Percentage method and descriptive analysis has been done to understand the actual scenario of CSR expenditure and CSR thematic areas. Table 1 & 2 presents the CSR initiatives and their actual status.

**Table-1- Actual and Prescribed CSR spend of Bharat Petroleum Corporation Limited from year 2014-15 to 2019-20**

<b>Name of company</b>	<b>Prescribed CSR Spend</b>	<b>Actual CSR Spend</b>	<b>% of Actual with Prescribed</b>
<b>2014-15</b>	<b>76.01</b>	<b>33.94</b>	<b>44.65</b>
<b>2015-16</b>	<b>112.6</b>	<b>95.58</b>	<b>84.88</b>
<b>2016-17</b>	<b>159.14</b>	<b>90.98</b>	<b>57.17</b>
<b>2017-18</b>	<b>183.33</b>	<b>166.02</b>	<b>90.56</b>
<b>2018-19</b>	<b>203.32</b>	<b>177.52</b>	<b>87.31</b>
<b>2019-20</b>	<b>198.98</b>	<b>345.57</b>	<b>173.67</b>

(Source-Author compilation from Annual reports of the company from 2014-15 to 2019-20)

The Table no 1 is depicting the CSR actual and prescribed amount for the year 2014-15 to 2019-20. Company CSR spend is presented in comparison with prescribed CSR amount. It is evident from the table that company is spending rigorously on CSR on year on year basis. In the year 2019-20 company spent 345.57 crore on CSR projects which is 173.67% of the prescribed amount of 198.98 crore.

**Table-2- Thematic areas of CSR of Bharat Petroleum Corporation Limited for the year 2014-15 to 2019-20**  
(Rupees values - in crore)

Year/ Focus Area	Health, Sanitation and poverty eradication	Education, Training and livelihood enhancement	Environment Sustainability	Development of Underprivileged section	PM cares fund and Donation	Promotion of Sports	National Heritage, art and culture	Rural Development and community development	Research and Development	Armed force veterans , war widow and dependents	others	Total
2014-15	8.1	10.33	3.3	0	0	0	0	12.06	0	0	0.15	33.94
2015-16	38.94	11.25	2.77	0	0	0	0	42.45	0	0	0.17	95.58
2016-17	0.38	10.18	0	0	0	0	0	66.88	0	0	13.54	90.98
2017-18	85.49	42.83	0.67	0	0	0	35	1.88	0	0	0.15	166.02
2018-19	59.1	91.42	6.07	7.04	12.12	0	0	1.77	0	0	0	177.52
2019-20	42.85	104.82	33.64	9.64	154.62	0	0	0	0	0	0	345.57
<b>Total</b>	<b>234.86</b>	<b>270.83</b>	<b>46.45</b>	<b>16.68</b>	<b>166.74</b>	<b>0</b>	<b>35</b>	<b>125.04</b>	<b>0</b>	<b>0</b>	<b>14.01</b>	<b>909.61</b>
<b>Average</b>	<b>39.1433</b>	<b>45.1383</b>	<b>7.74167</b>	<b>2.78</b>	<b>27.79</b>	<b>0</b>	<b>5.8333</b>	<b>20.84</b>	<b>0</b>	<b>0</b>	<b>2.335</b>	

(Source-Author compilation from Annual reports of the company from 2014-15 to 2019-20)

In the table-2, thrust areas of company's CSR are depicted with their total and average values are presented for the year 2014-15 to 2019-20, to understand the position of CSR initiatives of the company concerned. It is observed from the table that company is spending enormously on education, training & livelihood enhancement projects with average value of 44.13 and next area of company CSR is healthcare, sanitation & poverty eradication where average value is 39.14 and third thrust area is donation to PM Cares fund and other funds where average value is 27.79. After that company's CSR focus is on rural and community development where average value of CSR spending is 20.84. This way company is expanding its CSR budget in more thrust areas.

### Conclusion

Corporate social responsibility is a catchphrase because corporate community is much more conscious about it. Each firm wishes to do everything to improve the social corner by investing some of its revenues on them. Various names have been given to CSR like corporate responsibility, corporate citizenship, corporate ethics, triple-bottom line, sustainable development and Corporate Governance etc.

Corporate social responsibility has evolved as a fundamental issue and a significant paradigm shift for corporate organizations. The evidence is growing that the CSR movement has achieved rising prevalence in the twenty-first century. While there have been major theoretical advances in the understanding of CSR, empirical study to comprehend the essence of this notion is still in its infancy. Every now and again, businesses strive to improve the deployment of CSR initiatives and policies. To summarize, Bharat Petroleum Corporation Limited consistently outperforms its peers in terms of corporate social responsibility. The company's CSR activities are making a significant contribution to the country's progress and expansion. This organization also focused on ensuring that the CSR funding was properly utilized each and every year.

## References

- Ali, I., Rehman, K. U., Ali, S. I., Yousaf, J., & Zia, M. (2010). Corporate social responsibility influences, employee commitment and organizational performance. *African journal of Business management*, 4(13), 2796-2801.
- Amba and Rao, S. C. (1993). Multinational corporate social responsibility, ethics, interactions and third world governments- An agenda for the 1990s. *Journal of Business Ethics*, 12(7), 553–572.
- Arevalo, J. A., & Aravind, D. (2011). Corporate social responsibility practices in India: approach, drivers, and barriers. *Corporate Governance: The international journal of business in society*.
- Barnett, M. L. (2007). Stakeholder influence capacity and the variability of financial returns to corporate social responsibility. *Academy of management review*, 32(3), 794-816.
- Baumgartner (2014). Managing Corporate Sustainability and CSR: A Conceptual Framework Combining Values, Strategies and Instruments Contributing to Sustainable Development. *Corporate Social Responsibility and Environmental Management Corp. Soc. Responsib. Environ. Mgmt.* 21, 258–271 (2014) DOI: 10.1002/csr.1336
- Campbell, J. T., Eden, L., & Miller, S. R. (2012). Multinationals and corporate social responsibility in host countries: Does distance matter? *Journal of International Business Studies*, 43(1), 84-106.
- Carroll, A. B. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & society*, 38(3), 268-295.
- Crane, A., & Matten, D. (Eds.). (2007). *Corporate social responsibility* (Vol. 2). Sage.
- Devinney, T. M. (2009). Is the socially responsible corporation a myth? The good, the bad, and the ugly of corporate social responsibility.
- Dodd, E. M., Jr. (1932). For whom are corporate managers trustees? *Harvard Law Review*, 45(7), 1145–1163.

- Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International journal of research in marketing*, 24(3), 224-241.
- E.M. Lee, S.Y. Park and H.J. Lee (2013). Employee perception of CSR activities: Its antecedents and consequences. *Journal of business research*, 66(10), pp.1716-1724.
- Fatima Raheem (2016). A STRATEGIC CSR PERSPECTIVE OF INFOSYS LIMITED. *The Social Onlooker-International journal of Social science, journalism and mass communication*, ISSN (Online): 2394-2932 Volume-3 , Issue-1, Page No: 42 -54, Paper Id: 030844
- Fombrun, C. J. (2005). A world of reputation research, analysis and thinking—building corporate reputation through CSR initiatives: evolving standards. *Corporate reputation review*, 8(1), 7-12.
- Gupta, N. K., & Bhatia, S. (2015). A comparison of CSR disclosure guidelines and a self-prepared CSR disclosure index-A study of select automotive companies. *International Journal of Business Ethics in Developing Economies*, 4(2).
- Ilinitch, A. Y., Soderstrom, N. S., & Thomas, T. E. (1998). Measuring corporate environmental performance. *Journal of accounting and public policy*, 17(4-5), 383-408.
- Jamali, D., Sidani, Y., & El-Asmar, K. (2009). A three country comparative analysis of managerial CSR perspectives: Insights from Lebanon, Syria and Jordan. *Journal of business ethics*, 85(2), 173-192.
- Kotler, P., & Lee, N. (2005). *Corporate social responsibility. Doing the Most Good for Your Company and Your Cause*, New Jersey.
- Lichtenstein, D. R., Drumwright, M. E., & Braig, B. M. (2004). The effect of corporate social responsibility on customer donations to corporate-supported nonprofits. *Journal of marketing*, 68(4), 16-32.
- Manchanda, P. (2017). Corporate social Responsibility: Inventiveness by various enterprises. *JIMS8M: The Journal of Indian Management & Strategy*, 22(3), 4-11.
- Marsden C. (2001). The Role of Public Authorities in Corporate Social Responsibility. <http://www.alter.be/socialresponsibility/people/marchri/en/displayPerson>.
- McWilliams, A., Siegel, D. S., & Wright, P. M. (2006). Corporate social responsibility: Strategic implications. *Journal of management studies*, 43(1), 1-18.
- Nayak, U., & Patjoshi, P. K. (2020). Effect of CSR Contribution on Financial Performance: A Study on Automobile Companies of India. *International Journal of Modern Agriculture*, 9(3), 981-989.
- Porter, Michael & Kramer, Mark. (2007). Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard business review*. 84. 78-92, 163.
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of marketing Research*, 38(2), 225-243.

- Sen, S., Bhattacharya, C. B., & Korschun, D. (2006). The role of corporate social responsibility in strengthening multiple stakeholder relationships: A field experiment. *Journal of the Academy of Marketing science*, 34(2), 158-166.
- Sen, S., Du, S., & Bhattacharya, C. B. (2014). Building brand relationships through corporate social responsibility. In *Handbook of brand relationships* (pp. 217-233). Routledge.
- Shuili Du, C. B., & Sen, S. (2009). Maximizing Business Returns to Corporate Social Responsibility (CSR): The Role of CSR Communication. *ijmr\_276* 8. 19.
- Sinha, K. S. (2012). CSR: An evolving perspective and S&P ESG India index. CRISIL India Ltd., Available at <http://www.tatapowers.com/sustainability/pdf/ESG-by-Mr-Sunil-Sinha>.
- Turban, D. B., & Greening, D. W. (1997). Corporate social performance and organizational attractiveness to prospective employees. *Academy of management journal*, 40(3), 658-672.
- Uddin, M. B., Hassan, M. D., & Tarique, K. M. (2008). Three dimensional aspects of corporate social responsibility. *Daffodil International University Journal of Business and Economics*, 3(1):199-212.
- Visser, W. (2011). *The age of responsibility: CSR 2.0 and the new DNA of business*. John Wiley & Sons.
- Werther Jr, W. B., & Chandler, D. (2005). Strategic corporate social responsibility as global brand insurance. *Business Horizons*, 48(4), 317-324.

#### **Websites and Annual reports**

- <https://thecsrjournal.in>
- <https://csrbox.org>
- <https://www.csr.gov.in>
- <https://ngobox.org>
- <https://www.futurescape.in/responsible-business-rankings/>
- <https://www.bharatpetroleum.in/social-responsibility/corporate-social-responsibility/csr-overview>



## Food adulteration and its impact on health

Dr- Rajendra Singh Khееchee\*

### *Abstract*

*Food adulteration is a significant health risk in both developed and developing nations. Adulterant refers to any substances that could make food unhealthy due to the presence of foreign objects. The definition term "adulterant," refers to any substances that could make food unhealthy by introducing extraneous objects. Food production uses a variety of adulterants, such as melamine, calcium carbide, argemone oil, synthetic food colors, artificial sweeteners, formalin, etc., that make food hazardous and affect human health by causing a number of serious diseases. India is expanding quickly in practically all fields in the modern era of globalization, but one of the most crucial issues that need more attention is food safety because food adulteration has emerged as a significant issue in our society.*

*This study aims to investigate the causes, health risks, and preventative methods of various types of food adulteration, including incidental, unintentional, and adulteration caused by metallic contaminants. Food is a vital component of life and is one of the fundamental needs of all living things. But there are numerous adulterants in meals today. Such adulterants have been linked to cancer, anemia, paralysis, brain damage, and gastrointestinal issues. Because of the conditions in which they are grown and harvested, spices may also be polluted. According to reports, contaminated spices can lead to deterioration and some foodborne illnesses.*

**Keywords:** Food adulterants, health risks, and food-borne illness.

### INTRODUCTION :

In India, adulteration in food products is rife, particularly in goods sold in urban-slum areas, semi-urban areas, and country regions where naive consumers are defrauded by inferior food products even after paying the appropriate retail rates currently in effect. Food is a crucial component of life and is described as any material that contains proteins, lipids, and carbs and may be consumed or ingested by both humans and other animals for nourishment (Choudhary et al., 2020). Every living thing needs food to survive, as it contains critical nutrients that support human growth and maintenance. However, as a result of the presence of numerous adulterants, food is becoming increasingly contaminated, and as a result, more people are falling ill with a variety of ailments. Vineetha and Reddy, 2021)

In order to protect the financial interests of small-scale farmers and the disadvantaged, food safety is an issue that needs to be given top importance. Private agricultural research in underdeveloped nations is glaringly unrelated to the actual requirements of the underprivileged. The type of technology utilized to manufacture and process food has an impact on food safety. It can be altered through agricultural methods, genetic engineering, and post-production handling and processing.

\*Assistant Professor, Department of Sociology, JNV University, Jodhpur

Public health is negatively affected by food adulteration. The growing product volume, the net profit, and the dishonesty of producers, sellers, and processors are the causes of food adulteration. Consuming tainted food puts one at risk for catastrophic diseases like cancer, diarrhea, asthma, and ulcers. And one of the major issues today is food adulteration. The primary issue with adulterated food is that it doesn't sell well since people don't trust its authenticity.

## **Food Adulteration**

Adulteration is the process of adding, changing or removing an adulterant or other ingredient from food. Adulterants have historically been used frequently in societies where there are few legal restrictions on the quality of food produced, inadequate or nonexistent government oversight, and harmful chemicals and poisons. If they are present within the established parameters, food additives are not adulterants. When levels are exceeded, they turn into substantial adulterants and pose a serious risk to the consumer's health. Food adulteration is the practice of adding chemicals to manufactured foods.

foods in order to improve or maintain quality characteristics including texture, physical features, taste, aroma, and other characteristics; and (ii) to reduce spoilage and lengthen the shelf life of processed foods. Antioxidants, emulsifiers/stabilizers, preservatives, anti-caking agents, artificial sweeteners, bulking agents, acid regulators, leavening agents, flavor agents, and glaze agents are included in the first category of food additions.

Adulterants can have negative health effects ranging from short-term ones like nausea, vomiting, abdominal discomfort, allergies, asthma, and headaches to long-term ones like mental retardation, cardiac arrest, and cancer.

. Examples of adulteration include the 1998 contamination of mustard oil with argemone oil and the 2008 melamine contamination of imported milk and baby formula. Legumes like imported poisonous lentils sold as local lentils, veterinary medicine residues in milk, flour manufactured from rotting wheat, animal fat in baked goods, and industrial contamination in vanaspati are some of the emerging adulterants. India uses both fresh and dried ginger significantly in its cuisine. To keep insects away, ultramarine blue, a blue-colored dye, is frequently applied to dry ginger. It is an inorganic pigment that is used to whiten laundry.

Consumers' interest in the safety and traceability of food items has grown as the use of adulterants has expanded significantly in recent years.

The Prevention of Food Adulteration Act of 1954, which established the country's food safety standards, stated that a food item is adulterated if

- a. it is not of the nature, substance, or quality that the buyer has demanded or that it represents to be;
- b. it contains any substance that detracts from its quality; or c. it has been processed in a way that adversely affects its nature, substance, or quality;

c. Any inferior or less expensive substance has been completely or partially substituted for the item, or any component of the item has been completely or partially removed, affecting its quality, or the item has been processed in a way that adversely affects its nature, substance, or quality;

d. The item was prepared, packed, or kept in an unsanitary environment, causing it to become contaminated or harmful to health;

e. The article is made entirely or partially of one or more of the following:

i. The article contains any prohibited colorant or preservative, or any permitted colorant or preservative in excess of the prescribed limits

j. The quality or purity of the article falls below the prescribed standard;

k. The container of the article is composed of any poisonous or deleterious substance, which renders its contents harmful to health;

l. The article contains any poisonous or another ingredient that is harmful to health

### **Adulteration types**

Although there are several ways to adulterate food, there are primarily two categories. There are intentional/deliberate/knowingly and unintentional/unknowingly/incidental adulterations, according to El-loly et al. (2013).

#### **Intentional adulteration**

When a food product is intentionally altered, it is referred to as intentional adulteration. It is the addition of subpar materials with qualities akin to those of the foods to which they are introduced. They are therefore challenging to find. The adulterant could be biological or physical in nature. After reducing a certain amount to boost their profit margin with chemicals like urea and melamine, it is done to increase the level of their essential nutrients. Substances like starch, flour, cane sugar, vegetable oils, water, skim milk, sand, chalk powder, molasses, stone, brick powder, ergot, chicory, and roasted are added to increase volume.

into other dietary items, such as barley powder and ground papaya seeds (El-loly et al., 2013). The number of nutrients removed and unnecessary ingredients added to food makes it the most harmful type of food adulteration since those who engage in it are business-oriented and have forgotten about the needs of others in favor of their own financial interests (Awasthi et al., 2014).

### **Incidental adulteration**

Adulteration results from improper hygienic conditions of food and drink goods from the production site to the consumption table. Pesticide residues, rodent droppings, larvae in meals, etc. are examples of unintentional adulterants.

Mercury, lead, and arsenic can all accidentally contaminate metals. Accidental adulterants also include pests like rodents and insects that trespass on food to a great degree, produce impurities like excreta and body secretions, and degrade food through the growth of microorganisms. Pesticides, DDT, and product residues are the most typical unintentional adulterants (Pandit et al., 2002).

D.D.T. has a 3 ppm maximum allowable level.

### **Various food items and their adulterants**

Almost every food product, including grains, vegetables, milk, and fruits, is contaminated in some way. Because farm stairs are not well cleaned, certain adulterants infiltrate through them. These are obvious adulterants, including, but not limited to, stones, leaves, soil, sand, and dust. They are less dangerous because the consumer can clean them. Other adulterants that are put on purpose are either invisible or are effectively concealed by the color or texture. In general, they are unhealthy, and most of them cause serious illnesses like cancer. About 90% of unbranded loose forms are contaminated, including animal feed like cake used as a protein supplement for breastfeeding animals. 2012 (Alauddin).

<b>Food Products</b>	<b>Food Adulterants</b>	<b>Impact on Health</b>
Milk	Water, starch, urea, extraction of fat	Digestive system disorder
Sugar	Chalk Powder	Stomach infections
Tea	Artificial pigments/dye, iron fillings	Liver disorders, cancer
Coffee powder	Tamarind and date seed powder, saw dust	Diarrhea
Turmeric	Lead chromate, saw dust, metanil yellow	Carcinogenic
Honey	Fructose syrup/cane sugar	Stomach disorder
Rice, wheat	Mud grits, soapstonesbits, sand, Ergot	Cancer, genetic mutations harm the human reproductive system
Sea food	Mercury, Arsenic	Stomach and brain disorder
Ice creams	Detergent powders	Skin and lung disease
Ghee	Ghee essence, vanaspati, sweet potato, mashed potato and starch	Cancer, acute renal failure
Carbonic drinks	Aluminium leaves	Asthma, lung disorder
Green chillies/green peas	Malachite green	Cancer
Chilli powder	Artificial colors, brick powder, sudan dye	Blood and lung cancer
Mustard seed	Seeds of prickly poppy argemone	Epedemic dropsy, glaucoma
Black pepper	Dried papaya seeds	Cardiac arrest, injurious to health
Pulses	Kesari dal, metanil yellow, clay, stone	Lathyrism, carcinogenesis, stomach disorders
Butter	Margarine, starch	Food poisoning
Vegetable oil	Argemone mineral oil	Heart disease, skin infection and cancer
Sweets juices	Coal tar dye/metanil yellow	Cancer, toxin released

**A list of some of the food products being adulterated by food adulterants and their harmful**

**Source:** Adapted from Bansal *et al.* 2015



### **Effects on human health:-**

Regular usage of the contaminated dietary substances may result in symptoms including headache, gastrointestinal problems, muscular pain, sleepiness, etc (Ram et al. 1993). For instance, the argemone oil used to adulterate ghee and butter is extremely dangerous since it induces dropsy, a disease characterized by the presence of fluid accumulating in certain bodily areas (Sharma et al., 1992). Dropsy interferes with the body's natural processes and can cause digestive issues with routine usage of washing soda-adulterated foods such as powdered sugar and other foods (Thakur et al., 2009) [11, 19]. Food adulteration is extremely sensitive to human health. According to (Anita and Neetu 2013) [25], the dangerous effects of food adulteration include diarrhea, abdominal pain, nausea, vomiting, eyesight problems, headaches, cancer, anemia insomnia, muscular paralysis, and brain damage, as well as stomach disorders, giddiness, joint pain, liver disorders, dropsy, gastrointestinal problems, respiratory distress, edema, cardiac arrest, glaucoma carcinogenic effects, kidney failure, It has been discovered that a number of chemicals and colors used in fruits and vegetables are extremely harmful to health (Faraz et al., 2013 and Lakshmi et al. 2012).

### **Food Borne Illness Due to Adulteration**

Humans get ill with a number of ailments as a result of eating tainted food. Vision loss, heart conditions, appendicitis, issues with the small intestine, respiratory conditions, anaemia, epilepsy, neurotoxicity, etc. are a few disorders. 2016 (Manasha and Janani) [7]. After eating tainted food, victims of different illnesses such as nausea and vomiting, diarrhoea, weakness, fever, cancer, goitre, paralysis, etc. became ill. Singh, Walia, and Thakur (2009) [11, 19]. ailments including acute glaucoma, gastritis, teeth mottling, typhoid, food poisoning, dysentery, botulism, liver damage, etc. that are brought on by eating food that has been tampered with. (2013) Rasul et al.

According to Faraz et al. (2013), food adulteration leads to a variety of food-borne illnesses, including giddiness, stomach problems, nausea, vomiting, eye problems, sleeplessness, muscular paralysis, brain damage, edema, cardiac arrest, kidney failure, and digestive system issues. Food poisoning is the medical term for illnesses that are transmitted through contaminated food, such as intoxications and infections. Food-borne illnesses are brought by by-product flaws, adulteration, deceptive advertising, and low-quality goods (Excelce, 2015). In its broadest definition, the term "food poisoning" refers to any illness brought on by ingesting food that contains bacterial or non-bacterial components. The most common signs of food-borne illnesses include headache, elation, nausea, diarrhea, slow heartbeat, rigors, cramps, etc (Anant, and Bhagat, 2018).

Food poisoning is a problem that affects both the formal and informal sectors of the food industry globally. Microorganisms that are present in food have a significant impact on the relationship between diet and health in two different ways. In fact, despite the implementation of stringent laws, regulations, and new technology to guarantee the safety and quality of food, food pathogens continue to infect people and spread disease (Siciliano and Mazzeo, 2019) . Millions of people worldwide get food-borne illnesses every year as a result of eating tainted food, making it one of the most significant global public health issues.

Due to the consumption of foods produced in unclean conditions, a lack of hygiene education, a drought, contaminated water, incorrect food storage, etc., people in many nations are suffering from food-borne diseases. In both industrialized and developing countries, food-borne illnesses are a sign of the growth of public health issues.

Nevertheless, these problems have a significant influence on the economies and health of developing nations. Inappropriate food storage, contaminated utensils, a lack of good hygiene standards, and improper cooking techniques are just a few of the factors that are frequently linked to the epidemic of food-borne illnesses. (2017) Miri et al.

Food poisoning, also known as a food-borne sickness, is an abdominal ailment brought on by consuming tainted food, such as food that has been improperly prepared, cooked at the wrong temperature, or as a result of inadequate hygiene. This contamination may contain parasites, poisons, bacteria, or viruses. The degree of severity of food poisoning depends on the cause and can range from moderate to severe, even life-threatening illnesses (Prashanth and Indranil, 2016).

## **Conclusion**

Without our understanding, food adulteration can have a significant negative impact on our health. A few proactive efforts from our culture can stop it. The rise in food prices needs to be monitored by the government. The consumer should refrain from purchasing food from establishments that do not maintain proper hygienic standards. Government organisations should inspect both regional and national food retailers.

We can ensure that future generations have a healthy and secure future if we actively participate in these developments. The main objectives must be to safeguard both the consumer's rights and health. In addition to this, the food business faces difficult challenges every day such as combating food fraud or improper practices. In order to reduce the risk of food adulteration, both the food business and the manufacturer must participate.

Additionally, it is essential that every consumer is always informed when choosing food items since only by doing so can we protect our health from various forms of adulterants that are present in food goods and have a negative impact on human health. Therefore, it is important to educate every customer about the dangers of consuming such food products. Food adulteration is a serious problem because it directly impacts people's health.



## References

- An Overview of Food Adulteration: Concept, Sources, Impact, Challenges and Detection, Choudhary A, Gupta N, Hameed F, Choton S. IJCS. 2020;;2564- 2573.
- Review on Food Adulteration and Its Effects on Health, Dongre, Thorat, and Gawde IJRIM. 2020;04:01- 08.
- Churi SK, Common Adulterants in Food: Methods for Detection, Viva-Tech IJRI. 2021;1:4-9.
- Common Milk Adulteration and its Detection Method: A Review, Gawali SP IJMERE. 2021:30.
- Consumer Awareness Regarding Food Adulteration and Its Incidence in the Market, IMPACT: IJRANSS. 2018;6(10):29-34-35. Sasi Rekha N, Paul MM
  - Choudhary, N. Gupta, F. Hameed, and S. Choton
- Nagvanshi, D. A Study on Common Food Adulterants and Knowledge of Adulteration Among Raebareli District Women, IJHS, 1(3):05-08.
- IJRFM. 2016;6(4):131-140.
- Manasha S, Janani M. Food Adulteration and its Problems (Intentional, Accidental, and Natural Food Adulteration).
- Additives Adulteration: Two Shocking Recent Facts: A Review, by Mishra IJAR. 2016;2(7):675-676.
- Reddy RP, Vineetha Y, et al. Identification of Adulterants in Powdered Form of Curcuma longa, Capsicum annum, Crocus sativus, and RRBB. 2021;8(1);100-104.
- Kharadi H. Food Adulteration and Detection in Common Food Items, IJPLS, 12(3), 47-49, 2021.
- Impact of Health Education Package on Knowledge and Practice of Women Regarding Food Adulteration, NMRI. 2009;5(1):1 Thakur M, Walia I, Singh A

## OPPORTUNITIES AND CHALLENGES IN MULTILEVEL MARKETING

Dr. Asha Rathi\*  
Deepika Chouhan\*\*

### *Abstract*

*India has a serious unemployment issue. Despite having a high literacy rate, people do not always receive employment that matches their skills. Unemployment became a major issue for people during the COVID-19 pandemic. The network marketing sector has benefited people in this pandemic circumstance because it gives people the opportunity to work in a business that is easily handled from home. More than 1,000 individuals may attend meetings using the Zoom software, which can be used with just a smartphone and an internet connection. In addition to these benefits, there are a few drawbacks that consumers should take into account when selecting a multilevel marketing company for their business. In this article, we will study some advantages and disadvantages of multilevel marketing and the role of the multilevel marketing industry during the COVID-19 pandemic.*

*Keywords: - unemployment, covid-19, multilevel marketing, network marketing.*

### INTRODUCTION

Multilevel marketing (MLM) is the most commonly used term in the world for multilevel marketing. Network marketing and referral marketing terms are also used for MLM. It is a specific type of direct selling. In this marketing system, products are directly sold by the producer to the customer through the company's agents and investors. In addition to receiving pay for their own sales, these investors and agents also get commissions on the sales of any product or service they promote. The success of network marketing depends on the capacity of its distributors and agents to distribute and sell companies' products and ideas to others through personal recommendations, direct sales, and digital marketing. The distributor, who may or may not be self-employed, is the most crucial component of the business model, which is divided into many levels. As part of MLM, a distributor may make money in two different ways: by selling the product directly to customers and by recruiting new distributors. The upper-level distributor receives a share of the sales made by the downline distributors' revenue.

\* Assistant Professor, Department of Business Administration, JNV University, Jodhpur

\*\* Research Scholar, Department of Business Administration, JNV University, Jodhpur

### Direct selling (multi level marketing) model

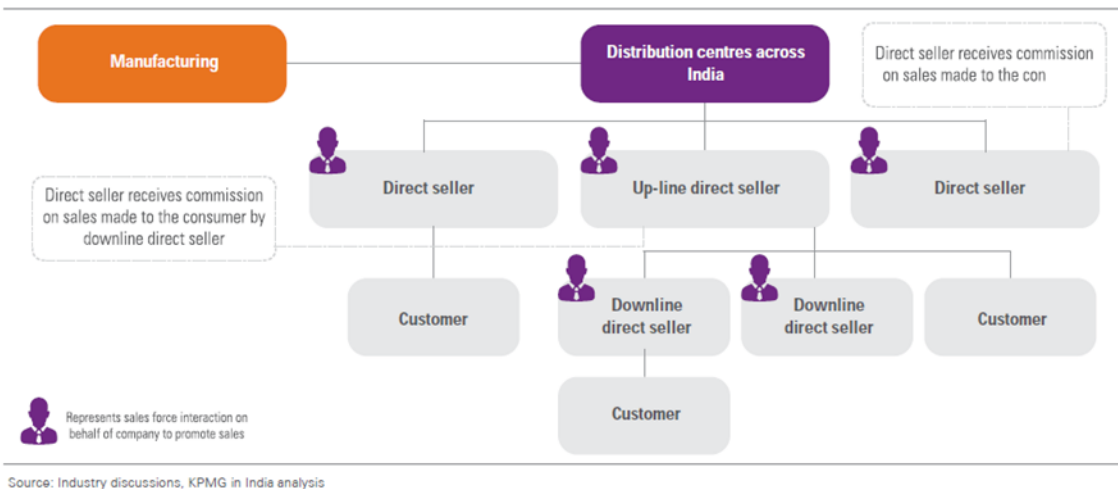


Image source - <https://blog.iplayers.in/mlm-india/>

### Traditional consumer goods retail model

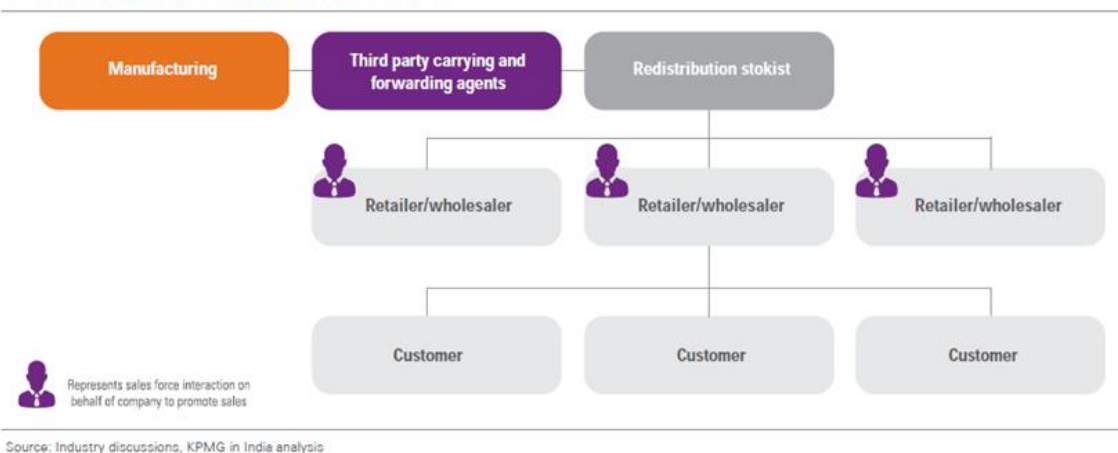


Image source - <https://blog.iplayers.in/mlm-india/>

MLM has proved to be economically helpful in the COVID-19 outbreak. MLM company growth has increased more than ever during the COVID-19 epidemic. MLM offers you the opportunity to start generating money right away by having a minimum-risk investment in the initial goods or services that will be offered.

## **OBJECTIVE**

To know the opportunities and challenges of Multilevel Marketing business.

## **RESEARCH METHODOLOGY**

Secondary data such as articles, research papers, journals related to Multilevel marketing has been used for the study.

### **➤ Advantages of Multilevel Marketing business which can be consider as an opportunity**

#### **A source of passive income for people**

Multilevel marketing offers a great option to earn a passive income for homemakers, students, and regular and retired employees. Firstly, you just need to meet the right clients and present the business plan to those who appear to be interested. After that, educate them on the potential financial rewards and assist them in earning passive income as they recruit other distributors and clients into their downline. After joining network marketing and understanding its strategy, anyone can start earning in a few months.

#### **Easy to start a business**

A multilevel marketing business is easy to start because of the low initial investment. In this business model, anyone can buy products as a customer with a little cost, and once you are eligible to be a distributor, you can start selling the company's products and recruit other people as his downline.

#### **Work from Home Opportunity for people**

Work from any location by logging on to your computer, reviewing the current status, calling new potential clients, and closing the sale. You may become an MLM distributor by doing just that. The opportunity to work from home is most likely the finest perk that multilevel marketing can provide. In contrast to genuine marketing, there are no additional skills you need to develop in order to advertise services or products. This business plan provides the best approach to starting a business with your family and close friends.

#### **Additional income**

By joining a multilevel marketing business, you can add a little more to your regular income. You have the possibility of increasing your total revenue if you are free to meet consumers and offer products whenever you want. As you add new distributors to your downline, your revenue will increase even if you don't have time to make sales of the products. The only things that count are the downline commissions and incentives that the subordinate distributors receive when they achieve their performance targets.

### **Building network by meeting new people**

In the multilevel marketing industry, there are constantly new individuals to meet and new relationships to establish. The MLM company offers you numerous advantages if you enjoy attending personal meetings, MLM provides the best opportunities and converting leads is one of them. You may increase your revenue and improve the reputation of both you and your business by networking with new clients and possible distributors. On the bright side, you can benefit greatly from having good communication and interpersonal abilities.

### **Low risk**

There is a minimum risk involved when you start a business in multilevel marketing. In MLM businesses, there is a lower initial cost as compared to traditional marketing systems. People dislike taking risks and will try all possible tactics to avoid them. The key benefit of starting an MLM business is that there is less risk involved in the first stage of business. You can start this business with a small initial investment and sell the products that you have already used and consumed.

### **Residual income**

The biggest benefit of the MLM business model is that it enables you to earn residual income. When you are initially successful in recruiting new distributors into the business, you can claim and earn residual income from your downline distributors.

### **No need to hire employees**

In the MLM business model, there is no need to hire employees. Distributors can work independently from their homes because it is a network-based business. In this business model, business owners work together towards the same goal. This industry provides you with the added benefit of being in business without the concerns of employees.

### **Operating Costs is low**

The network marketing model enables a business to be run at a minimum cost as compared to other business models. When your upline supporter has expertise in business, leads you in a good manner, and helps you with initiating the fund, then you will start earning profit very soon in this business model.

➤ **Challenges of multilevel marketing**

**Market saturation**

The success of an MLM company is determined by the demand for and supply of its products. There is more emphasis on adding a number of distributors to sell its products so that competition among the distributors is increased. There is a larger product supply but no change in demand because every distributor sells the same goods. This poor management leads to market saturation.

**MLM scam- pyramid scheme**

The pyramid structure is the basis of MLM. It shows that distributors will earn more money at the top and less money at the bottom. Pyramid schemes are considered illegal because they guarantee a large return for a small investment. A person who joins the MLM industry has the ability to earn more money, whereas a person who joins later in the company chain is likely to make less money because of more stiff competition. Thus, pyramid schemes are deceptive and illegal.

**Multilevel marketing is not suitable for everyone**

This business model is not suitable for all because MLM requires dedication of time, capital investment, and participation in learning the business concept. Since the majority of distributors work part-time, they have a little time to meet with clients and other marketing experts when it is necessary.

**Face-to-face interaction can be difficult**

The catchphrases "Work from Home" and "This Work is for Everyone" are frequently used by MLM businesses. These phrases are frequently used to entice new participants and investors in enterprises. Not everyone is able to interact with strangers and present a perfect scheme. It could be challenging for people without public speaking abilities to interact with the customers. The multilevel marketing industry puts an emphasis on social skills, and if you lack them, your prospects of success are significantly reduced. Many newcomers to the network marketing industry are not used to talking with strangers or discussing the benefits and drawbacks of their product. Because of this, the majority of salespeople only market to their relatives and friends.

**Multilevel marketing business takes time to grow**

You have to put forth a lot of effort to get money; it never comes easily. Your ability and persuasiveness will determine how best to use it. Although joining a network may seem like a simple method to generate money, it is a tough task. If people are not aware of the product, then even the best product will not sell, even if you get marketing materials, access to a knowledgeable staff, or maybe even a customised dashboard at some amazing portal. Network marketing takes time to grow, just like any other type of business.

### **Not every Customer will agree to the Schemes**

It's a difficult task of the scheme to explain to clients the benefits of the scheme. You will frequently hear words like "I don't have time for it," "No," and "I already have a job" from those you approach first. The conversion rate for the normal individual starting this challenge may be 1%. This indicates that 99 out of 100 people approached for a sale will not be interested.

### **Negative effect on relationship with friends, relatives**

MLM distributors promote the company's products to their neighbors, friends, and relatives. By encouraging individuals to purchase products they don't require and advertising products to them, they take advantage of them. Friends, family, and the neighbourhood all become potential customers in multilevel marketing. It results in a negatively impacted relationship.

### **No proper training of distributors**

One of the most important challenges with the MLM industry is that new recruits receive no proper training and they sell products without any prior knowledge about sales. Without training new distributors don't know the strategy of MLM business.

### **CONCLUSION**

As we know, every business method has positive as well as negative aspects. Success and growth of multilevel marketing business is depending on the ability of the distributor to convince the customer to purchase the product and join the company. Many people are not yet aware of the advantages and disadvantages of MLM businesses. It's a great business opportunity for people to earn a secondary income. This business model also became helpful during the COVID-19 pandemic by providing a source of income to many people. Apart from these advantages, many disadvantages are in the MLM business, like lack of proper training, market saturation, pyramid structure, slow growth etc.

### **REFERENCE**

- Aggarwal, B., & Kumar, D. (2014). Multi-Level Marketing–Problems & Solutions. International Journal of Research, 1(6), 76-82.

<https://www.managementstudyguide.com/multi-level-marketing-articles.htm>

<https://www.quora.com/How-can-the-network-marketing-industry-solve-the-unemployment-problem-of-India>

<https://www.myayan.com/advantages-and-disadvantages-of-multilevel-marketing-mlm>

[https://www.streetdirectory.com/travel\\_guide/147814/multi\\_level\\_marketing/10\\_key\\_benefits\\_why\\_mlm\\_programs\\_are\\_great\\_businesses.html](https://www.streetdirectory.com/travel_guide/147814/multi_level_marketing/10_key_benefits_why_mlm_programs_are_great_businesses.html)

<https://blog.ipleaders.in/mlm-india/>

## **DIGITAL MARKETING'S AND IT'S EFFECT ON YOUTH**

**Dr. Dilip S. Chavan\***

### ***Abstract :***

*In a market environment that is focused on the needs of the customer, consumer purchasing patterns are changing more quickly. Although consumer behaviour varies depending on the product, price, features, quality, packaging, buying habits, customer status, generation, and age, among other factors, youth is the hardest demographic to communicate with. Because they tend to follow the rhythm of fashion and taste according to the changing times, the shifting preferences of today's young have an impact on the buying pattern. Because of this, marketers spend a lot of time and money conducting market research each year to identify and forecast the changing behaviours of young people. The marketer in the retail sector is currently facing numerous issues as a result of digital marketing. The modern generation is more intrigued by online shopping than by traditional retail. Due to the pressure of the younger generation's purchasing habits, marketers are compelled to use the new style of selling. Young people's buying habits and behavioural patterns have a bigger impact on consumer behaviour, hence the study's central concern is how digital marketing affects young people's purchase decisions. The study finds that although the majority of today's youth have access to digital media, they are not always aware of how to use it to its full potential.*

**Keywords-** Digital, Marketing, Youth, Impact, Purchase Decision, behavior of young

### **INTRODUCTION**

Information, goods, and services are purchased and sold using computer networks or the internet under the definition of digital marketing. The entire economy is evolving as a result of internet and electronic commerce technologies, which are also altering business structures, income streams, customerele, and supply chains. Every sector of the New Economy is experiencing the emergence of new business models. The previous ten years have seen a dramatic change in the travel business and ticketing. According to one estimate, the Indian net commerce as a whole is contributed by the online travel sector to the tune of 76%. Nowadays, purchasing tickets can be done on airline or third-party websites. Customers are thrilled with the quick delivery and flawless payment methods offered by online retailers, increasing customer confidence. Even online classifieds have successfully migrated to the internet, with employment and marriage-related listings dominating.

Online retailers are currently promoting more product categories, including white goods and electronics. Intangible assets like relationships, information, people, brands, and systems are gaining centre stage in these new business models. Although the internet is a disruptive technological advancement, customers are starting to realize how convenient online shopping can be. Many firms are shifting the channels they use to offer their goods and services as a result of the dramatic influence on retailing. While the e-marketplace predominates in various regions of the world, retailers have been fast to build their own distinctively branded e-commerce stores there.

\*Associate Professor, Deptt. Of Commerce & Mangement Science, SBES College of Arts & commerce, Aurangabad



### **Digital Marketing Scenario in India**

The third-largest internet user population is found in India. With the growth of the Internet, marketing tactics have changed drastically for interacting with the public. No other method can equal the incredible growth that digital marketing has demonstrated. Looking at the Indian population today, it is clear that they are not only familiar with the Internet but also use it for a variety of daily activities. As a result, India's online marketing sector is flourishing. Digital marketing adoption in India is being driven by social media. Both online and offline, the Indian retail industry is flourishing. India joined the internet shopping revolution somewhat late, but it is anticipated that in the next years, online sales would increase by 50% annually. With over 120 million internet users, the nation is now the third-largest nation in the world. The increasing adoption of mobile commerce is expected to push that number up to over 330 million by 2015. Digital marketing is advancing thanks in part to social media. Young, financially secure consumers who are adept at using the internet are spending more time and money online, which has an impact on market trends. Online shoppers frequently purchase books, consumer electronics, travel, financial services, clothing, and cosmetic products. The majority of online purchasing occurs in large urban areas, with Mumbai serving as the primary hub, followed by Delhi and Kolkata. Online marketplaces like Snadpdeal, which was established in 2010, are where a significant share of sales are made. Although the internet only contributes a small fraction of India's GDP at the moment, many believe that retailers will soon experience an internet boom. Indian adolescents are expected to adhere to stringent moral and family values and devote all of their time and focus to their studies and careers. Therefore, a student's only goal must be their career and education. The market's most influential group, the youth of India, influences producers to provide what they desire. This study assesses the degree to which youth influence marketing strategy. The study will be helpful to the marketer in developing marketing plans to appeal to the current and potential youth market for the products being researched. The National Youth Policy-2014 states that the survey will include all youth between the ages of 15 and 29, who make up 27.5% of the population as per the Census-2011, that is about 33 crore people.

### **Buying Behaviour of Youth**

Consumer behaviour in general, and that of young people in particular, is heavily influenced by an individual's purchasing habits. The technique of connecting products on the market with certain buying behaviour groups is known as buying behaviour marketing. In order to increase the market value of the offered product, it is necessary to segment the market based on factors related to buying behaviour, position the product in a way that appeals to the behaviours, interests, and viewpoints of the target market, and launch targeted promotional campaigns that take advantage of these factors. The age of the internet in India is about 20 years. With 145 million users, India is one of the top 3 internet user populations worldwide. 3–4% of organized retailing is accounted for by internet marketing. This demonstrates that some factors are impeding the growth of online marketing in India. One of them is the risk that Indian adolescents sense. Due to the large number of young people in India, online shopping is extremely successful there. Government spending on internet infrastructure is significant. Online merchants locate their customers in cities and villages all over India, whereas organized retailing finds it difficult to reach India's rural areas.

## **LITERATURE REVIEW**

**According to Ratchford et al. (2014),** consumers can evaluate products between suppliers at a reasonable cost and get knowledge about products in any way possible through the Internet. They can also efficiently evaluate the available options and quickly find a low price for a certain product.

**Anjali (June 2017):** According to the report, educated people are more familiar with digital media and prefer using digital channels to purchase various goods. Through investigation, it was discovered that a person's monthly income significantly influences their decision to purchase various things through a digital channel. Viewing adverts on websites and blogs has a greater influence on consumers. The perception of customers regarding purchasing decisions was significantly altered by digital channels. The majority of customers are happy with the things they buy online. People prefer to shop for their needs and are increasingly purchasing convenience items online. This research was done in a specific area. Future research will examine the effects of digital channels on consumer purchasing behaviour across a wider geographic area to obtain more accurate results.

**Sadia Afzal et al., (January 2015):** This study demonstrates that neither conventional nor online advertising has a significant direct impact on consumer purchasing decisions for branded clothing, but both have significant indirect effects due to the advertising elements and consumer attitudes that act as mediators and have a significant mediating impact. Consumer purchasing behaviour is significantly influenced by both ad attributes and attitude.

Statistical examination of customer attitudes reveals that among the three aspects of attitude (loyalty, prior purchasing experience, and word-of-mouth), loyalty and prior purchasing experience are the most important influences on consumer purchasing behaviour.

## **STATEMENT OF THE PROBLEM**

Today's innovations in science and technology are rendered obsolete tomorrow. The consumer's tastes and preferences are likewise evolving quickly. It's challenging for marketers to keep up with customers' shifting needs. Customers' expectations are changing for a variety of reasons, but one of the primary causes is shifting consumer behaviour. Younger youngsters and older persons exhibit changing purchasing behaviours less frequently than do younger children and adults. The purchasing habits of the younger generation affect not only their own individual purchasing habits but also the purchasing habits of the family. The shifting demands of the consumer must be understood by marketers in order to provide goods and services that meet those needs.

## **NEED OF THE STUDY**

The manner that a product is marketed and how people purchase it have undergone astounding changes as a result of digital marketing. Individuals' purchasing patterns affect a variety of variables, and these variables necessarily have an impact on marketers' efforts to cater to the demands of consumers in general and young people in particular. So it becomes clear that research on digital marketing and its influence on young people's purchasing habits are necessary.

## **OBJECTIVES OF THE STUDY**

The research study's goals are as follows:

- To pinpoint the elements affecting young people's shifting purchasing patterns.
- To investigate how a young person's shifting purchasing habits are affecting digital marketing.
- To inform Indian marketers on the evolving purchasing habits of young people and the factors influencing such habits.

## **RESEARCH METHODOLOGY**

### **Sources of Data**

Researchers employ both primary and secondary data for the current investigation. The survey is used to gather primary data. These secondary sources are taken from published publications, research papers, census data, general reports that have been published, sources on linked websites, etc.

### **Sample Design**

The current study is one that is focused on research. For this study, researchers combine primary and secondary data. The sample was chosen by researchers using a straightforward random sampling procedure in the Aurangabad District.

### **Sample size**

Researchers choose 100 kids from the Aurangabad District at random to fulfil the study's goals.

## **DATA ANALYSIS AND DISCUSSION**

Analyzing the data and talking about the results is one of the crucial tasks. The empirical results from this study will be discussed in this section by the researchers. The data analysis mostly focuses on primary data that was gathered by distributing questionnaires to young people in the Aurangabad district. The frequency of the respondent's agreement with statements is shown in the table below. Each statement is treated as a separate module.

Modules	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total Weights	Rank
Ease	Frequency						
By shopping online, I receive my package on time.	20(100)	15(60)	20(60)	30(60)	15(15)	295	<i>XI</i>
Information in detail is provided while shopping online.	25(125)	20(80)	15(45)	25(50)	15(15)	315	<i>VIII</i>
When I shop online, I may purchase the goods whenever I want, every day.	40(200)	25(100)	20(60)	10(20)	05(05)	385	<i>I</i>
While buying online, it is simple to choose a product and compare it to others.	30(150)	25(100)	20(60)	05(10)	20(20)	340	<i>IV</i>
<b>Website Design/Features</b>							
The layout of the website makes it simple for me to find things.	20(100)	10(40)	30(90)	30(60)	10(10)	300	<i>X</i>
When shopping online, I prefer to choose a website that offers security, order, and ease of navigation.	15(75)	20(80)	25(75)	24(48)	16(16)	294	<i>XII</i>
When buying online, the website's design facilitates my search for and selection of the appropriate item.	30(150)	25(100)	30(90)	10(20)	05(05)	365	<i>III</i>
I think familiarising yourself with the website before making a purchase would help to lessen the risk of doing any online buying.	20(100)	25(100)	20(60)	15(30)	20(20)	310	<i>IX</i>
I prefer to make purchases from websites that offer me quality information.	27(135)	22(84)	18(54)	18(36)	15(15)	324	<i>VII</i>
<b>Time Saving</b>							
Online purchases can be made more quickly.	35(175)	20(80)	30(90)	10(20)	05(05)	370	<i>II</i>
No time is wasted when purchasing online.	29(145)	20(80)	18(54)	18(36)	15(15)	330	<i>VI</i>
I believe that purchasing online saves time on product evaluation and decision-making.	32(160)	17(68)	18(54)	16(32)	17(17)	331	<i>V</i>
<b>Security</b>							
While shopping online, I feel protected and secure.	10(50)	20(80)	30(90)	30(60)	10(10)	290	<i>XIII</i>
My security is protected when I shop online.	05(25)	10(40)	42(126)	38(76)	05(05)	272	<i>XV</i>
I prefer to buy things online from reliable stores.	12(60)	20(80)	25(75)	30(60)	13(13)	288	<i>XIV</i>

## **FINDINGS OF THE STUDY**

The investigation came to the following significant conclusions:

In terms of YouTube users, India is the fifth-largest country. Indians spend 14 hours online on average per week, far more than they do watching television.

The Indian online advertising sector is expanding quickly, at a rate of 50% annually, and is expected to reach \$1 billion in sales in 2020. The lifestyle, ability to attract the opposite sex, purchasing power, family background, the youth's employment situation, the influence of Western culture, educational background, etc. are all elements that commonly affect the purchase behaviour of young people. India has around 950 million mobile customers, at least half of whom have devices with internet access. India has more than 90 million websites, whereas there are more than 500 million Facebook profiles there. Whatsapp users send more than 8 million inbound and 12 billion outgoing messages per day. Additionally, online retail is growing in India as 60% of the population uses the internet. The study finds that although the majority of today's youth have access to digital media, they are not always aware of how to use it to its full potential.

Utilizing mobile internet and numerous other variables are responsible for India's expanding digital marketing sector. The digital marketing sector is thriving with a 30% growth rate while all other industries in India are battling with 10 to 12%. India still has a shortage of experts in digital marketing despite having such a fantastic chance. India needs skilled digital marketers who can take advantage of this chance to start a revolution. Due to India's resources, both the current and future situations will improve. The talent only has to be refined. The marketplaces of today also conduct extensive study to comprehend youngsters and their purchasing patterns, in order to fulfil the needs of the youth segment. A shifting aspect, and one that is changing more swiftly, is consumer behaviour. As a result, the majority of recently invented products become outdated far too quickly. Innovation suffocates it. What is an innovation today becomes outdated tomorrow due to advancing technology. The marketers have various difficulties because of this. The majority of respondents believe that online shopping is convenient at any time. According to respondents, shoppers spend extremely little time making purchases.

## **SUGGESTIONS OF THE STUDY**

The report made the following key recommendations.

1. Before introducing any product online, marketers must be aware of the youth market's access to digital facilities.
2. Marketers should carry out pre-market research to determine consumer needs, particularly in relation to digital marketing.
3. Consumers must be made properly aware of digital marketing, and this requires adequate awareness creation.
4. Because the majority of research showed that customers are risk averse, it is necessary to teach them how to manage the risk connected with digital marketing.
5. The report concludes by advising readers and users to be aware of all digital marketing platforms and utilise them to the fullest extent possible.

## CONCLUSION

To sum up, youth, their shopping habits, purchasing power, product awareness, etc., have a bigger impact on individual and family purchase habits. According to the current National Youth Policy, there are around 33 crore young people in India who are between the ages of 15 and 29. They account for a sizable percentage of the Indian market. To succeed as a marketer in the future in the cutthroat economy, every marketer needs to understand the psychology of this youth demographic. The digital revolution in marketing and the economy as a whole has created several threats and difficulties for marketers in this cutthroat environment. The need for marketers to comprehend young people in a changing marketplace. In order to develop effective marketing strategies to retain the present and to seize the potential market, marketers must have a better understanding of young people. Only then will the market be able to transition from traditional customer-oriented marketing to technological customer-oriented marketing in the near future.

## REFERENCES

- Pal A. K. & Shukla B, 2020, Impact of Digital Marketing on Consumer Buying Behaviour, Iconic Research Engineering, Page 202-220, 10.13140/RG.2.2.36410.31684
- Giedd, J. N., & Chief, M. (2012), "The Digital Revolution and Adolescent Brain Evolution: Elsevier Inc. G.
- Fred Palumbo, Paul Herbig (1998), "International marketing tool: The Internet", Industrial Management & Data Systems, Vol. 98 Iss: 6, pp.253 – 261. Publisher: MCB UP ltd.
- Chu, Shu-Chuan (2011), "Viral advertising in social media: Participation in Facebook groups and responses among college-aged users." Journal of Interactive Advertising 12: 30-43.
- Brian T. Ratchford, 2015, Some Directions for Research in Interactive Marketing, Journal of Interactive Marketing, Page 5-8, 10.1016/j.intmar.2015.01.001
- Reza Kiani, (1998), "Marketing opportunities in the digital world", Internet Research, Vol. 8 Iss: 2, pp.185-194

## A COMPARATIVE STUDY OF CORPORATE CRIMINAL LIABILITY

Dr. Pushpendra kumar musha\*

### **Abstract :**

*This paper endeavours a comparative study of corporate criminal responsibility in the USA, Australia, Germany, France, England, Brazil, Canada, India, and so on. Enormous scope corporations are the truth and deciding factor behind the globalized world. Exploiting the corporate cloak made by legal arrangements, people working behind this shroud frequently perpetrate crimes. Remembering this, the legal executive all throughout the not really settled the grounds and rules for criminal risk of Corporations. This research article is an endeavour to investigate the legal patterns in the USA, UK and India concerning the criminal obligation of corporations. Corporate Crime is also known as Organizational or Occupational crimes, in White collar crimes. Corporate as a different legal element differs from normal individual its crime carried out by the Corporation and they are at risk and blameworthy for the act. In this paper, the precept of Corporate Criminal Liability is examined completely with the factors that comprise it. The paper explained the requirement for the foundation of the regulation. The different landmark decisions are also cited that has been talked about on the issue of Corporate Criminal Liability.*

**Keywords**— Corporation, Corporate Crime, Corporate Criminal Liability, Criminal Justice System

### **INTRODUCTION**

Corporate crime is by a long shot the most genuine of a wide range of crime so it needs to understand why the most extravagant, most impressive enterprises on the planet regularly, efficiently disregard the law.

Corporate crime is a marvel that denoted the twentieth century. The principal half was set apart by two significant world monetary emergencies (The Great Depression) and another with an expanding number of weighty corporate scandals. What is significant is that this kind of misrepresentation is spreading, and thus, there has been a need to consider this idea from a scientific and professional point of view, able to find a solution and prevent corporate crime.

Corporate crime, also known as white-collar crime or made crime suggests criminal offences that are completed by people during genuine business activities. Crimes are as often as possible quiet and incorporate crimes like extortion, insider exchanging and tax evasion. Such a crime is a state-corporate crime, in which companies that depend upon states for monetary help unlawfully do crimes to get benefits. The bosses and overseers of companies can be faulted for corporate crimes, and organizations can figure out themselves for crimes. Workers of organizations and partnerships can also do crimes, regularly without the data of business proprietors or directors.

\*Assistant Professor, Faculty of Law, JNV University, Jodhpur

A few laws make it conceivable to delay the arraignment of corporate crime, and a few lawbreakers may also have the option to maintain a strategic distance from it. Non-indictment understandings and conceded arraignment understandings are events of ways that hoodlums can work with law endorsement to keep a fundamental detachment from arraignment. With a yielded arraignment understanding, the public authority denounces the charge; however, if the partnership doesn't submit any further offence, it can waive the charges within a certain period. The non-arraignment arrangement permits wrongdoers to pay fines, yet try not to be accused of crimes.<sup>i</sup>

### **Meaning of Corporate Crimes**

Australian Criminologist John Braithwaite characterized corporate crime as "the director of a corporation or workers following up in light of a legitimate concern for a corporation," which is prosecuted and deserving of law. This definition stands the preliminary of time as these crimes can be classified into two sub-orders. In the main subject, the worker or company submits off-base and in the subsequent subject, the company faces wrong against itself. Both these classifications lead to corporate crimes. As a rule, the criminal's face is different from that of the company, however in the previous many years, apparently the corporate cover has stowed away numerous appearances behind him and saved him from being rebuffed. Corporate has, for some time, been represented by corporate laws. The time has come to address a company's obligation for criminal wrongs. Customary laws make a corporation in danger for the activities of its administrators when delegates/experts act inside the degree of their work and with that act create a benefit for the corporation.

### **Nature of Corporate Crimes**

Corporate crimes are viewed as normal assortments of white-collar crime. Word related crimes are also implied as word related crimes. The difference between corporate crime and business crime is that while corporate crime alludes to circumstances in which corporate supervisors perpetrate a criminal act to help the corporation, Occupational offences are carried out by singular representatives against the corporation or during work by the corporation's clients or purchasers. At the point when we manage corporate crime, the main inquiry that emerges is whether a corporate actually perpetrates a crime. This inquiry can be replied by taking a gander at circumstances in which there is an extensive misfortune in the activity of corporations which is a lot higher than the customary crimes perpetrated by people.

Another significant part of corporate crime is that the reaction of criminal equity to singular crime is snappy and forceful; it is a reduction or reduction in corporate crime. Simultaneously, the negligent social reaction also will in general diminish the earnestness of the corporate crime.<sup>ii</sup> Consequently, corporate crime has obtained another implying that should be understood and tended if we are to control and combat this emerging nature.



## **CONCEPT OF CORPORATE CRIMINAL LIABILITY**

Corporate criminal liability has its inceptions in the old law, and became the focus of theoretical discussions in the late 19th century. History, law, economics and governmental issues remarkable to every nation have significantly affected the selection and improvement of the concept of corporate criminal liability. The possibility of criminal responsibility of partnerships has encountered a different progression under customary law systems than being dealt with under point of reference based law structures. All the while, under precedent-based law or exclusively based law structures, corporate criminal obligation has grown differently to reflect the verifiable and financial genuine elements of different countries. The recorded improvement of corporate criminal obligation recommends that corporate criminal responsibility is dependable with the standards of criminal law and the possibility of partnerships.

### **Definition of Corporate Criminal Liability**

Corporate crime means a crime committed either by the corporation, or by someone who can be identified with the corporation. A corporate crime is its personal act and should not be approved or confirmed by its officers. This is adequate if the officers were practicing standard powers to help the corporation. In this way, to a sufficient degree, the corporation's crime is tied to the acts of its officers. Such criminal acts reflect the character of the individuals managing the corporation.

Now, criminal liabilities of corporations are taking its sweep. The term corporate crime describes these corporate activities, which are perused to involve some aspects of criminal law. Corporate crime is commonly used to denote bridges of regularity offences. Corporate crime also includes fraud and other illegal activities, which affects general laws.

## **CREATION OF CORPORATE CRIMINAL LIABILITY IN DIFFERENT COUNTRIES**

The possibility of corporate criminal liability for the illegal lead of representatives is increasing. Among the appropriate reasons for this upward spiral is to increase corporate malpractices and fashion more responsible corporate behavior, i.e. monitoring, by preventing illegal acts of corporate employees.<sup>iii</sup> The response to this corporate criminal event is the making of a legitimate structure that can prevent and rebuke corporate awful conduct. Corporate misbehaviour has been tended to by normal, definitive, and criminal laws. All countries have aggregately agreed that corporations can be embraced under common and managerial laws. Be that as it may, the corporation's criminal risk has been more dubious. Numerous wards have acknowledged and applied the idea of criminal risk under different models. The American model includes countless criminal sanctions for corporations (E.g. fines, corporate probation, negative publicity order, etc.) with an end goal to punish corporations effectively by any employee inside the extent of their business and acting in the interest of the corporation.<sup>iv</sup>

The English and French model requires that individuals acting in the interest of the corporation hold a high position or perform an important function within the decision framework of the corporation. The Indian legal system, which is a legacy of the customary law system, follows the English model that when a higher officer commits his crime while acting on behalf of the company, the corporate is criminally liable.<sup>v</sup>

Germany and Italy actually decline to acknowledge the corporation's criminal liability and stay faithful to the old Maxim *societas delinquere non potest* on the corporation's capacity to work, absence of culpability, and unseemliness of criminal approvals.<sup>vi</sup> Proponents of German philosophy began from the reason that corporations are fictitious institutions, aside from the different people who work for the benefit of the imaginary entity, there is no existence. Malblanc and Savigny are the primary makers to keep up with the speculation of *societas delinquere* non-battle in the nineteenth century. The central conflict was that a corporation is a legitimate story lacking body and soul, read by criminal *mens rea* or to act in *propria* person. In addition, corporate criminal liability would disregard the standard of individual criminal discipline. The German creators Bekker and Breeze contended that corporations have an unadulterated conjugal character made for a specific reason and needed legal capability. Therefore, corporations cannot be subject to criminal liability. They feel that there is a social need to punish institutions that "no soul be damned, and no one should be kicked".<sup>vii</sup> Put differently, it defies all logic of criminal law. This premise can quickly lead to the end that corporate criminal risk is uncalled for in light of the fact that it punishes innocent outsiders (shareholders, representatives, and so forward) for the acts of individuals who commit crimes while in employment of these imaginary.<sup>viii</sup>

Opponents, then again, suggest that corporations are real but not imaginary. Critics of "narrative theory" such as Guerre and Zittelman argued that corporations are bodies and units of spirits and can function independently. The will of the corporation is the consequence of their members. They will have independent legal presence separated from the members of the corporations.<sup>ix</sup> The law recognizes that corporations can buy and sell property in their own name.<sup>x</sup> Corporations can enter into contracts with others, it can sue and sue others<sup>xi</sup>, and it can commit atrocities.<sup>xii</sup> In fact, the US Supreme Court held that corporations have many constitutional rights under the US Constitution.<sup>xiii</sup> Apart from this, the creation of power by the corporation now is both huge and unprecedented in human history. It misses a lot to compare corporations like Horse or Cart to Exxon Mobil, Microsoft, or AIG that were regarded as *déodands* under ancient English law. The top ten Fortune companies had assets of over \$ 2.1 trillion in 2008 and profits of over 176 billion. Modern corporations not only build for all intents and purposes remarkable force, yet they do as such in a style that regularly causes genuine damage to both individuals and society. The malpractices of WorldCom, Dynergy, Adelphia Communications and Global Crossing caused widespread damage. US authorities imposed the highest fine of \$ 500 million for a worldwide plan to fix the price of vitamins and fines from the nine most serious anti-trust cases totaling \$ 1.2 billion. US investigative officials found the Siemens Company guilty of criminal offenses of bribery and fines.

Indian companies were also not lagging behind in this case, Ramalinga Raju rigged the accounts of Satyam Computers, there was a huge loss of investors' money in UTI's Unit-64 as the top officials of the company concealed the truth, by the company's top officials Improper lending means led to liquidation of Global Trust Bank, and stockbroker of the stock market system exploitation Mehta and Ketan Parekh. Hence the German and Italian philosophy that corporation is only fiction and cannot be punished is also imaginary and distortion of real facts. In fact, corporations are genuine and a vital part of society.

### **Corporate Criminal Liability in United States of America**

Alongwith England, countries such as the United States and Canada also took the lead in accepting and enforcing the concept of corporate criminal liability. The Industrial Revolution first took place in these countries, so they were the first few people who started facing the danger of corporate mistakes in terms of losses. Even though the courts of England were slightly different from initially punishing companies, till now it was only the courts that accepted the principle of liability through criminal law and in 1842 fined the corporation for failing to perform a statutory duty.<sup>xiv</sup>

Initially the pattern of courts in the United States regarding corporate criminal liability was parallel to that of the English courts. They soon withdrew from the position taken by the English courts. Toward the start of the century, some US courts started to expand the concept of corporate criminal liability to include offenses, a move that was confirmed by the US Supreme Court in *New York Central & Hudson River Railroad Company v. U.S.*<sup>xv</sup> Congress passed the Elkins Act, stating that the acts and omissions of an officer acting inside the extent of his act are considered for the corporation, thus promoting the concept of promiscuous liability.<sup>xvi</sup> Although the earlier case of the Supreme Court concerned statutory offenses, the lower courts rapidly expanded their scope of offenses in common law. Several decades later, in 1983, the 4th Circuit Court held that "a the corporation may be considered criminally obligated for retaliatory encroachment executed by its labourers if they are acting inside the domain of their position or clear right, and to serve the corporation, regardless of whether ... such demonstrations were against the corporate approach."<sup>xvii</sup>

### **The Criminal Liability of Corporate in Australia**

Corporate crime has considered important dimensions as a public and official concern in Australia. Although there were over 850,000 Australian registered companies in the early 1990s that hold a significant place in the monetary and social construction of this country<sup>xviii</sup>, efficient investigation of corporate malpractice and control has gotten relatively little attention from lawyers and criminals, at least when compared with other types of criminal conduct. While this has started changing, the complexity of corporate life and corporate law means that some people have sought to assess the nature and consequences of corporate criminality in Australia, in particular it applies to large or complex corporate groups.<sup>xix</sup>

In Australia, it is notable that manipulations made in the interest of a corporation or corporate form over the last two decades have not been taken as separate acts performed to help the corporation. In other words, not only is the corporation responsible for the commission of a company known as a corporate crime, the corporation is often an arena in which corporate crime such as insider trading, corporate tax evasion and corporate treasury have been rigged. Misuse of the corporate form by corporation officers, associates or advisors in situations involving an element of moral immorality therefore calls for a more complex definition of corporate crime that might not otherwise arise. Much of the scholastic writing on corporate crime has been inspired by the corporation or its agents to focus on criminal actions and on corporate crimes that rely on the corporation or its securities as a vehicle for corporate crime.<sup>xx</sup> It is certainly important to focus on the corporation's utilization of the legal structure as a method for crime.

### **Application of Corporate Criminal Liability in Republic of Germany**

Whether or not German law ought to be revised to incorporate criminal obligation for corporate law has long been debated. The large fines levied by foreign officials against corporate scams and corporate fines keep this discussion alive, notwithstanding being over and over fulfilled that such obligation is conflicting with the quintessence of German criminal law.<sup>xxi</sup> While many European nations could cause a fuss for American rule, for the motivations behind this discussion, Germany serves as a particularly suitable model for comparison. France, England, Italy, and many other European countries have recently started cautiously to experiment with corporate criminal liability, but Germany is refusing to hold corporations criminally liable. Subsequently, the logical inconsistency between German and American systems is the highest.<sup>xxii</sup>

### **Prevalence of Concept of Corporate Criminal Liability in France**

France has left the familiar *Maxim societas delinquere non potest* and has received a thorough, yet prohibitive, a framework that tends to corporate security commitments. This change was a genuinely necessary reaction to the increasing corporate crime occurrence, particularly when France previously came up short on an all-around created and set up an arrangement of managerial law in Germany. The French system is more restrictive than the American one since it is a decently new and administrators are probably going to be careful while executing new concepts. In addition, the adoption of corporate criminal liability has faced stiff opposition from French corporations.<sup>xxiii</sup>

In France, *Ordonnance de Blois* of 1579 enacted by Henry III, enlisted the Police Reform Directions and mentioned with them the concept of criminal liability of corporations. The decision taken collectively should result in crime. Therefore, although corporations were still considered a legitimate dream, the presence of corporate criminal risk surmises that corporate criminal obligation was not in struggle with the possibility of corporations. Prior to the French Revolution, the French Grand Ordinance

Criminal of 1670 set up<sup>xxiv</sup> the criminal liability of corporations on this premise. Likewise, mandates are accommodated criminal offenses that perpetrate crimes like offenses. The French Revolution achieved outrageous changes in French law; Corporations including areas and non-benefit clinics have been totally abrogated and every one of their possessions seized.<sup>xxv</sup>

### **Laws Related to Corporate Criminal Liability in Brazil**

For the Brazilian legal system, the axiom *societas deliquere non potest*<sup>xxvi</sup> is still revered. It is important to understand the general rule provided by the Brazilian Criminal that Law. Directors, Officers and Administrators of a legal entity can't be expected criminally to take responsibility for acts committed by other people. On the contrary, Directors, Officers and Administrators can be expected criminally to take responsibility for acts performed by them.<sup>xxvii</sup>

Since, in Brazil the environmental criminal the law doesn't accommodate the minimum and the maximum penalty of pecuniary fine, the general rule of the criminal code is followed to calculate these patterns. The financial fine is not a civil penalty. It is also a criminal penalty, calculated and based on Article 49 of the Criminal Code. The pecuniary fine can vary from 1 to 360 "units". Each unit is dictated by the appointed authority, going from at least 1/30th of the lowest pay permitted by law to a limit of multiple times the lowest pay permitted by law (presently, the lowest pay permitted by law in Brazil is R\$ 415.00 --approximately US\$ 259.00). The measure of the monetary fine is determined dependent on the financial circumstance of the respondent. Subsequently, Article 60 of the Criminal Code approves the appointed authority to expand multiple times the measure of the financial fine if the maximum fine is not sufficient to punish the defendant.<sup>xxviii</sup>

In 2014, Brazil enacted the Clean Companies Act against corruption and bribery by national and international corporate bodies based and operational there. The Act establishes liability for companies that engage in bribery in Brazil or Overseas. Before the new law, no one but people could be rebuffed for defilement under Brazil law.<sup>xxix</sup>

### **Corporate Criminal Liability in India**

Company law in India as such has its origin in English Company Law as various Companies Acts have been modelled on the English Acts. The first legislature for registration of Joint Stock Companies was passed in 1850 which was based on English Companies Act 1844. The 1850 Act recognised companies registered under the Act as distinct legal entity but did not introduce the concept of Limited Liability, which was later provided in the Companies Act, 1857 on the lines of English Companies Act, 1856. Banking companies were kept out of limited liability clause; however, it was extended to them in

1858. The Indian Companies Act was re-enacted in 1862, 1866 and 1882. The 1882 Act was replaced by 1913 Act following English Companies Consolidation Act 1908 which remained in force till 1956 as such principles of English Companies Law remained applicable to Indian Law. The Companies Act 1956 has been corrected from time to time and has now been replaced by 2013 Act.

### **Corporate Criminal Liability in England**

During the sixteenth and seventeenth centuries of years, corporations turned out to be more normal and their significance in financial life expanded. A requirement for controlling corporate wrongdoing became more and more obvious. The initial phase in the English improvement of corporate criminal law was made during the 1840s when the courts' constrained commitment on corporations for demanding liability offences.<sup>xxx</sup> Master Bowen reasoned that the best method of pressuring corporations was by presenting the idea of corporate criminal responsibility in the English law.<sup>xxxi</sup> Soon after, by borrowing the hypothesis of vicarious obligation from the misdeed, the courts were forced to impose criminal risk on corporations in those situations when regular people could be vicariously responsible too. Lord Denning laid down the foundation for doctrine of "alter ego" theory in *H.L. Bolton (Engerring) Co., Ltd. v. T.J. Graham & Sons Ltd.*<sup>xxxii</sup> His Lordship held that the corporation is liable even where the board of director may not have been aware of the specific acts making up the crime and hence the "directing mind" of the actor whose acts and intent attributed to the company.

### **Corporate Criminal Liability in Canada**

Canada has followed the Common law doctrine of "identification" laid down in *Tesco* in respect of corporate criminal liability. Supreme Court of Canada in *R v. Canadian Dredge and Dock Co.*<sup>xxxiii</sup>, it was held that the identification theory establishes the "identity" between the directing mind of the company and the company. Justice Estey J, for the Court observed,

*"A few groups in the company are more labourers and experts who are simply hands to achieve the work and can't be said to address mind and will. Others are chiefs and heads who address the planning cerebrum and will of the company and control it. The viewpoint of these bosses is the viewpoint of the company and is thought of so by law."*<sup>xxxiv</sup>

By this reasoning a company may have more than one coordinating mind and further not only is delegation probable but even sub-delegation also. Lordship noted the principle will just work where the activity is attempted by the "directing mind" and action,

- a. was inside the field of action designated to the planning mind,
- b. was not totally in distortion of the corporation,
- c. was an arrangement or result halfway to assist the company.

The doctrine was further clarified in *Rahone (The) v. Peter A.B. Wider (The)*,<sup>xxxv</sup> in which Lordship Iacobucci J, for the Supreme Court of Canada stressed the label of directing mind must be confined to only those cases where,

*“Where an offence has been submitted by a company under this Act, each individual who was introduced at the time the offence was submitted and was prepared for the orientation of the matter of the company, in the way wherein the company is seen as harmed of the offence and There will be a danger of proceeding and disgusting on a case by case basis.”*<sup>xxxvi</sup>

Phases such ability to “design and supervise the implementation of corporate policy” and “full discretion to act without guidance” and the capacity to “practice dynamic expert on the issue of corporate approach” clarified the policy versus implementation role as being the bright line which had to be crossed to find a “directing mind”. The Canadian Supreme Court instead of using word “brain” used phase “the power to plan and administer the execution of corporate policy”. The officer must have the power to design the policy and the discretionary power to execute the same without any restrictions. Such acts of the officer might be ascribed to the criminal responsibility of corporation. Acts of senior officer which are merely executing the policy does not attract the criminal liability of corporations. The Court of Appeal of Ontario held that even though the employee may have extensive responsibilities and discretion, unless this is accompanied with “power to plan and oversee the execution of corporate policy” or “governing executive authority”.<sup>xxxvii</sup>

## CONCLUSION

Legal system in general and criminal justice system in particular have not been fully capable of keeping pace with the new developments. There are gaps and lack of uniformity in the different system to handle the corporate crime.

Various theories have been expounded to extend the criminal liability to the corporations as fictions entity. Many developments have taken place from the concept of liability as *respondeat superior* in England corporate fault in Australia. English Courts extended the principle of no-fault in civil cases to criminal violation where *mens rea* as such was not required; after going away from the notion that corporations couldn't be expected criminally to take responsibility. Further expansion of standard of

vicarious risk in England was by taking the *mens rea* of agents as that of corporations. England in *Tesco* case further developed the directive mind and will theory which says that culpable mind set of senior functionaries of the company are actions and will of the company itself. Such person having directive mind can be identified through an investigation into whether they have the status or authority in law to make their demonstrations the demonstrations of the company. Statutory development has taken place in England by enactment of Manslaughter Act, 2007 which provides for liability for murder by net carelessness by identifying individual sufficiently senior to constitute directing mind. Still it is difficult to identify such individual in the present-day corporate structure.

In America, initially criminal liability of corporations was fixed for statutory offences later it was extended to *mens rea* cases when committed by employees in the course of employment. The legislative enactments were there to restrict cartels and restraining infrastructures in the end of nineteenth century. The American Law Institute Model Penal Code permitted inconvenience of corporate criminal liability for acts authorised or so by the Board of Directors or by a high authoritative expert representing the corporation, inside the level of the workplace or business. However, due diligence to prevent the offence was permissible defence. Thus, the board parameters of corporate criminal liability were 'within the extent of work, 'to serve the corporation', and the 'collection intent'. The doctrine of 'collection intent' can be fixed in any event, when it is beyond the realm of imagination to expect to identify a corporate specialist with criminal expectation.

As compared to America the French System to deal with criminal liability of corporations is relatively new and restrictive. After the French revolution the corporate were considered a threat to government because of their economic power and political influence. In the course of time France revised its Penal Code in 1992 and 1994 and became first European country to apply and acknowledge the corporate criminal liability by providing principles and sanctions. It recognised that juristic persons except for State are guiltiness obligated for the offences submitted for their benefit by the organisation or representatives. The judiciary gives strict interpretation to provisions by affirming the need to attributing offence to representations to indict company.

In Brazil Corporations are liable for administrative, law or criminal violations of its management board which are committed in the interest or for the benefit of it. The crime includes economic harm and environment damage. Law also provide for corruption and bribery by national and International Corporation for their sake by management with corrupt intention.



India followed England company law by enacting different companies Acts. Major developments have taken place in corporate sector with globalisation and liberalised policies followed in India. Common law principle of no-fault liability has been stretched out to absolute liability by the Apex Court.

Moreover, civil and administrative liability of corporations is not sufficient. Victims do not always have the financial resources to pursue a civil action. Criminal law rebuffs suitably; its indispensable retaliatory, preventive and rehabilitative highlights fulfil public demand for the counter. The criminal discipline of corporations sends a representative message: no crime is unrecoverable and crime won't ever pay.

### References:

- <sup>1</sup> Daphne Mallory, What is Corporate Crime? <http://www.wisegeek.com/what-is-corporate-crime.html>
- <sup>1</sup> Brian K. Pyne Susannah Tapp, Corporate Crime, Oxford Bibliographies at [www.oxfordbibliographies.com](http://www.oxfordbibliographies.com)
- <sup>1</sup> Harvey Pitt & Karl Groskaufmains, "Mischiefs Afoot: The Need for Incentives to Control Corporate Criminal Conduct", *B.U.L. Rev.* (1991). Pp.447-448. (American Congress has promoted this trend by increasing organization fine levels and "heightening institutional liability for money laundering, fraud and insider trading by employees"). In India also companies are highly regulated; see, *Money Laundering Act 2002*, *Competition Act 2002*, *Foreign Exchange Management Act*, 1999, and *Industrial Dispute Act 1947*.
- <sup>1</sup> See, Khanna, V.S. "Corporate Criminal Liability: what Purpose Does It Serve?" 109 *Har. L. Rev.* (1996), p.1477.
- <sup>1</sup> *Iridium India Telecom Limited v. Motorola Incorporated And Others*, (2011) 1 SCC 74 at 97.
- <sup>1</sup> Richard Gruner, *Corporate Criminal Liability And Prevention*, (New York: Law Journal Publication Ltd, 2005).p.23
- <sup>1</sup> The Concise Oxford Dictionary of Quotations, (2nd Ed.), 259, (Oxford University Press 1981).
- <sup>1</sup> Albert Alchuler, "Two Ways to Think About the Punishment of Corporations", 46 *AM, Crim, L. Rev.*(2009).p.1359.
- <sup>1</sup> *Salomon v Salomon & Company Ltd*, (1897) AC 22.
- <sup>1</sup> See the various provisions of sale of property, mortgage, lease, and exchange of property under *Transfer of Property Act*, 1882.
- <sup>1</sup> Section 11 of the *Indian Contract Act 1872* authorizes every person who is above the age of 18 years and sound person to enter into contract. However the word "person" is not defined. Therefore, the definition of person under section 3(42) of the *General Clause Act 1897* is made applicable to Contract Act. Person includes any company or association or body of individuals whether incorporated or not.

- <sup>1</sup> *National Telephone Co v. Constable of St Peter Port*, (1900) A.C. 317. Further see Winfield and Jolowicz, *Tort*, Rogers, (Ed.), (12th Ed.), (London: Sweet & Maxwell, 1984), p.690.
- <sup>1</sup> Although corporations do not possess the Fifth Amendments privilege against self-incrimination, the Supreme Court has recognized that they do have rights under the First Amendments, the Fourth Amendments, the Equal Protection Clause, and the Double Jeopardy clause of Fifth Amendment, See, Peter Hennings, *The Coundrun of Corporate Criminal Liability: Seeking a Consistent Approach to the Constitutional Rights of Corporations in Criminal Prosecutions*, 63 *TENN, L. Rev.* (1996).p.793.
- <sup>1</sup> Coffee, "No Soul to Damn: No Body to Kick": An Unscandalized Inquiry into the Problem of Corporate Punishment, 79 *MICH. L. Rev.* 386 at n.1 (1981) (discussing extensively competing theories of corporate criminal liability).
- <sup>1</sup> *New York Central & Hudson River Railroad Company v. U.S.* 212 U.S. 481 (1909).
- <sup>1</sup> Stessens, Guy. "Corporate Criminal Liability: A Comparative Perspective." *International and Comparative Law Quarterly*, v. 43, July 1994, pp. 496-497.
- <sup>1</sup> *U.S. v. Basic Construction Co.*, 711 F. 2d 570 at 573 (4th Cir. C.A. 1983).
- <sup>1</sup> Australian Securities Commission, Annual Report 1991/92, Canberra, AGPS, 1992, at p 80.
- <sup>1</sup> Tomasic, R, "Corporate Crime: Making the Law More Credible", (1990) 8 *Company and Securities Law Journal*, p. 369.
- <sup>1</sup> Fisse, B, "Sentencing Options against Corporations", (1990) 1, *Criminal Law Forum* 211 at p. 212.
- <sup>1</sup> A Report by Clifford Chance LLP, *Corporate Liability in Europe*, publishes in 2012, available at [http://www.cliffordchance.com/content/dam/cliffordchance/PDFs/Corporate\\_Liability\\_in\\_Europe.pdf](http://www.cliffordchance.com/content/dam/cliffordchance/PDFs/Corporate_Liability_in_Europe.pdf).
- <sup>1</sup> James Q. Whitman, *Consumerism Versus Producerism: A Study in Comparative Law*, 117 *YALE L.J.* 340 (2007).
- <sup>1</sup> Anca Iulia Pop, *Criminal Liability of Corporations - Comparative Jurisprudence*, King Scholar Program Michigan State University College of Law(dissertation) 2006
- <sup>1</sup> Stessens, Guy. "Corporate Criminal Liability: A Comparative Perspective." *International and Comparative Law Quarterly*, v. 43, July 1994, pp. 496-497.
- <sup>1</sup> Florin Streteanu & Radu Chirita, "Raspunderea penala a persoanei juridice" 7 (Rosetti ed., 2002)
- <sup>1</sup> The maxim is interpreted as, corporates cannot commit crime.
- <sup>1</sup> Brazilian Criminal Code
- <sup>1</sup> Ibid.

- <sup>1</sup> Timothy W. Blakely, Ruti Smithline, Jarod G. Taylor and Kendall L. Manlove, *Brazil's New Clean Companies Act Continues Global Fight Against Corruption*, Morrison Foerster Publications, 2013, available at: <http://media.mofo.com/files/Uploads/Images/130806-Brazils-New-Clean-Companies-Act.pdf>
- <sup>1</sup> Regina v. Brimingham & Gloucester R.R. Co., (1842) 3 Q.B. 223 (breach of statutory duty; strict liability for omissions-nonfeasions).
- <sup>1</sup> Regina v. Tyler, 173 Eng. Rep.643 (Assizes 1838).
- <sup>1</sup> *H.L.Bolton (Engerring) Co,Ltd. v. T.J.Graham & Sons Ltd*, (1957) 1 Q.B. 159.
- <sup>1</sup> *R v. Canadian Dredge and Dock Co*, (1985) 1 S.C.R. 662.
- <sup>1</sup> *Id* at 693.
- <sup>1</sup> *Rahone (The) v. Peter A.B.Wider (The)*, (1993) 1 S.C.R. 19.
- <sup>1</sup> *Ibid*.
- <sup>1</sup> *R v.Safety-Kleen*, (1977) O.J. 800.

## A STUDY OF LUXURY GOODS MARKET FOR EXPERIENTIAL MARKETING

Amrita Dudia\*  
Dr. Ashish Mathur\*\*

### Abstract

*India is one of the world's fastest-growing luxury markets , currently second only to the United States in the luxury retail sector, and demographically, will have one of the youngest populations until 2030. Personal luxury goods is the second-biggest part of the luxury market and is anticipated to reach \$120.5 billion by 2028 increasing at a 5.20 percent CAGR from 2021 to 2028. The future of luxury is impacted by a number of factors, from a global growing aspirational class , diverse & rapidly evolving profiles of the luxury clientele , behavioral shift, changing consumption habits , luxury sales being “digitally influenced”, personalization , the emergence of the second-hand market as well as concerns about sustainability and ethics . Brands and businesses have gradually infiltrated the country's tier 2 and 3 cities' regional areas as they offer enormous market potential. Tier II and Tier III markets are distinct and distinct marketplaces and cannot be treated as an extension of their Tier I markets. To thrive in today's market, businesses must go above and beyond and their focus must shift from ambition to inspiration. The luxury sector will require fresh strategies that are innovative. Luxury brands will need to be open and creative with their services if they want to connect with their customers on an emotional level and build lasting relationships with them. This paper is descriptive by nature and presents industry relevant data and the understanding of this dynamic nature of luxury industry & help them better implement experiential marketing in tier 2 & tier 3 cities of western Rajasthan*

**Keywords :** *Experiential Marketing , Luxury Goods, Personal Luxury Goods , Tier 2 & Tier 3 Cities*

\* Research Scholar, Department of Business Administration, JNV University, Jodhpur

\*\* Assistant Professor, Department of Business Administration, JNV University, Jodhpur

## **INTRODUCTION**

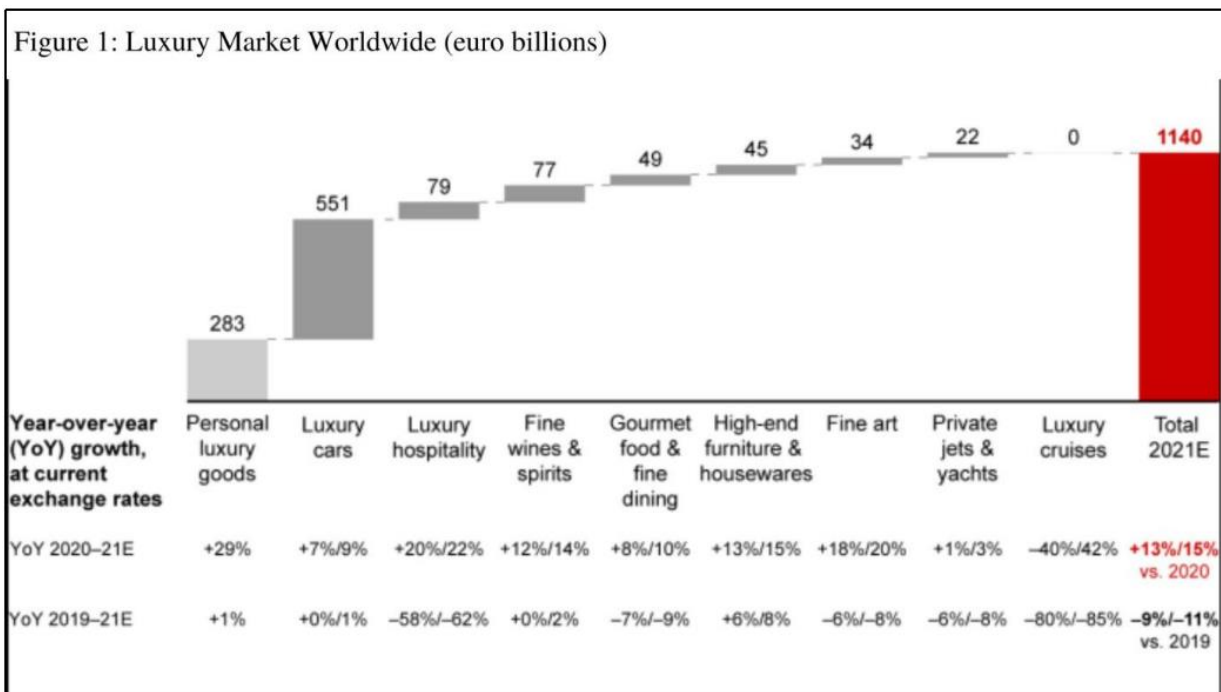
The world of luxury goods is not new; in fact, many luxury brands have existed for over a century and symbolize heritage and generations of family history. The luxury industry was established "with an emphasis on art and aesthetics" but has undergone profound transformations as a result of globalisation and market forces. Throughout history, customers have yearned for the prestige associated with luxury goods. It's in this vein that Kapferer and Bastien (2009) argue that luxury is a sign of status, sought after by many different product categories' namesake brands, which are now more accessible to consumers than ever before. Modern luxury is becoming more accessible for reasons of decreased household size and a rise in family wealth, improved educational levels, and the effect of lifestyle periodicals and travel chances. Technology improvements also have a role. While consumers "trade up" to higher quality, many luxury brands "trade down" to attract new consumers and build brand loyalty. The number of 'aspiring consumers' has risen, according to some authors, thus certain luxury goods are no longer exclusive to the wealthy (Dewey, 2009). Bernstein Research's Luca Solca says "aspiring consumers" make up 60% of the luxury market and 20% to 30% of industry revenue originates from individuals making premium purchases in overseas marketplaces, indicating that the luxury sector is appealing to a worldwide consumer base. Asian consumers purchase luxury items in Europe not merely to take advantage of lower pricing, they also believe that buying directly from a brand's homeland is the best way to experience the brand's true spirit. This delivers a sense of authenticity and excitement to the buyers.

## **LUXURY BRANDS AND THE LUXURY INDUSTRY**

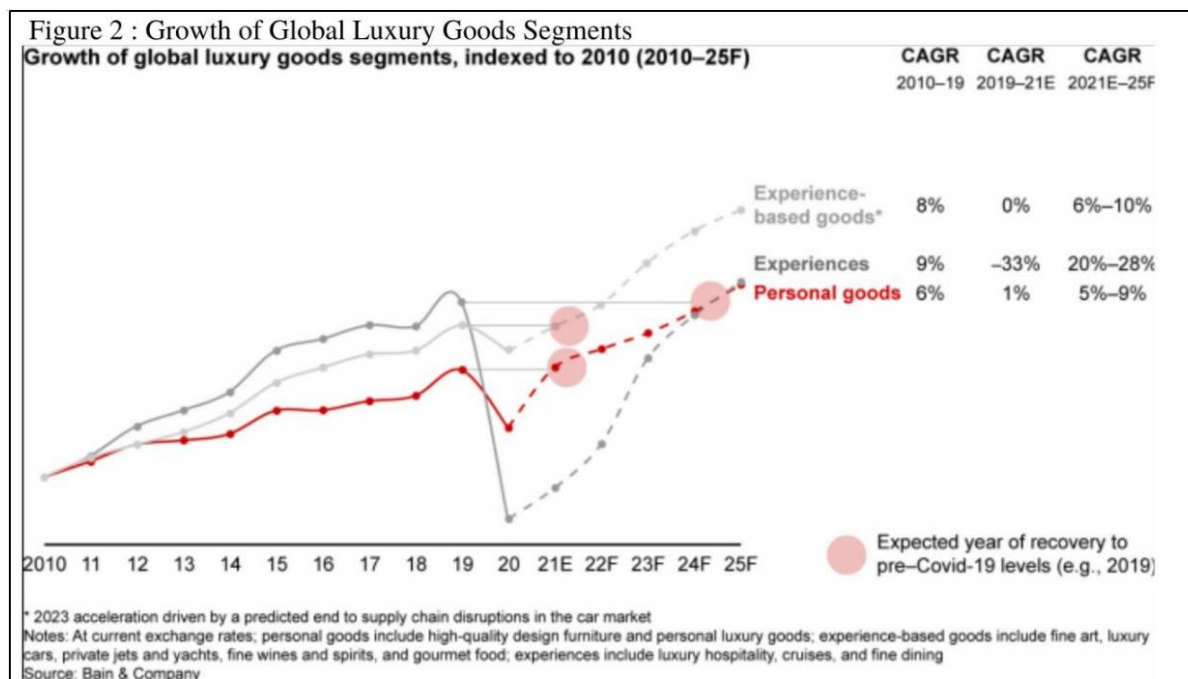
On studying the scholarly writings pertaining to branding, it shows a stunning lack of attention to luxury brands for several reasons. First, a large international market for these items, along with the growing affluence of customers in China and India, suggests that the industry's development is inevitable. Second, despite the fact that brand extensions are frequently studied within the domain of marketing discipline (Balachander and Ghose, 2003; Volckner and Sattier, 2006), only practitioner-oriented publications have addressed luxury brand extensions (Reddy and Terblanche, 2005). Third, brands often go in opposite ways: masstige brands pursue for prestige, differentiation, and margins by "trading up" (Goldman, 1975), while luxury firm brands by expanding their portfolios, often with severe repercussions (Reddy and Terblanche, 2005). Also, luxury brands are contentious consumption symbols, viewed by some as the superfluity and by others as an antidote to mundane reality and finally, luxury sales as an economic indicator.

## LUXURY GOODS MARKET WORLDWIDE

Statista Market Forecast says that the Luxury Goods market will bring in \$7.60bn in revenue in 2022. The market is predicted to rise 1.43 percent every year (CAGR 2022-2027). In 2021, the global luxury goods market was worth almost 310 billion US dollars. According to the Statista Consumer Sector Outlook, revenue in this market would be close to 387 billion dollars by 2025. Luxury Watches & Jewelry is the market's largest sector, with a market volume of US\$2.23 billion in 2022. Globally, the US generates the largest revenue (US\$74,670m in 2022), followed by Chinese luxury goods industry with revenue of roughly 39 billion US dollars. The next ones were Japan, France, and Germany. According to Statista's Consumer Market Outlook, revenue in these markets will continue to rise. Figure 1 & Figure 2 depict the Worldwide Luxury Market and Growth of Global Luxury Goods Segments.



Source : Bain & Company <https://www.bain.com/insights/from-surgin-recovery-to-elegant-advance-the-evolving-future-of-luxury>



Source : Bain & Company <https://www.bain.com/insights/from-surging-recovery-to-elegant-advance-the-evolving-future-of-luxury>

## MARKET FOR PERSONAL LUXURY GOODS

High-end items that are used for personal grooming, fashion, and other personal care comprise personal luxury goods. Personal luxury products differ by individual, income group, impression of the luxury product, and comfort and pleasure the buyer gets from the commodity. Personal luxury goods, in a larger sense, are high-quality products with a premium price tag. Luxury goods are income elastic and price inelastic. There is a direct correlation between the disposable income of consumers and the desire for high-priced goods. The Estee Lauder Companies Inc., Christian Dior, Ralph Lauren, Luxottica, Burberry, LVMH, Richemont, Kering, Tiffany & Co., Breitling, L'Oréal S.A., Chanel, Coach, Prada, and Swatch Group, among others, are among the significant players active in the worldwide personal luxury goods sector. Personal luxury goods is the second-biggest part of the luxury market and is anticipated to reach \$120.5 billion by 2028 increasing at a 5.20 percent CAGR from 2021 to 2028. (Figure3) In 2020,

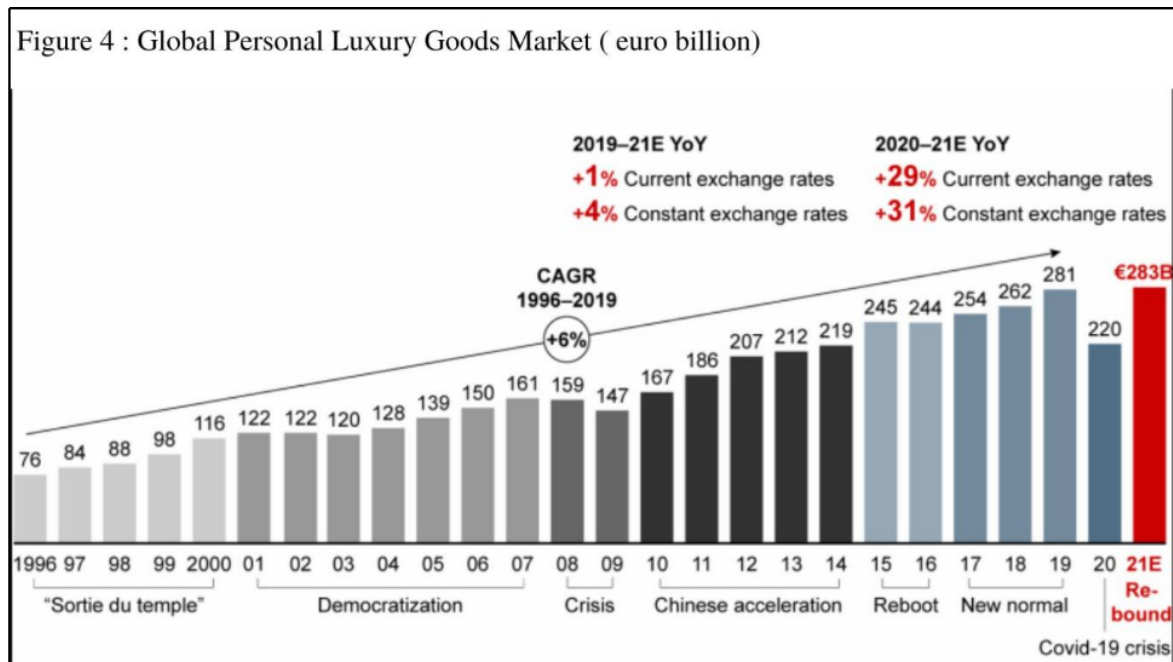
the United States dominated the market for personal luxury goods, generating around \$65 billion in revenue, followed by China. Asia-Pacific will lead the market geographically. Increasing discretionary income and the rise of working women in Asia will drive demand for luxury products. In addition, rising middle-class population and customer desire for luxury goods will drive market demand. Bain & Company and Altagamma's analyzed, "the personal luxury goods market has advanced through five stages of growth: Democratization (2001-2007); Crisis (2008-2009); Chinese Shopping Frenzy (2010-2013); Reboot (2015-2016); and now the New Normal (2017 onward)." (Figure 4)

Figure 3 : Personal Luxury Goods Market Size & Forecast



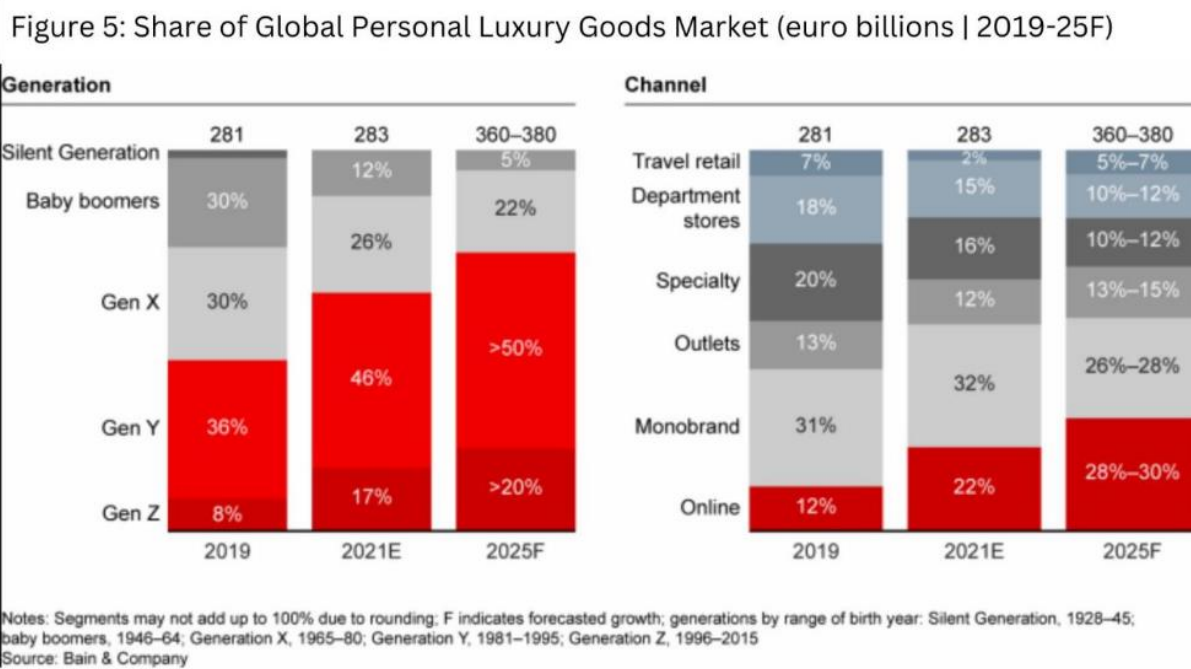
Source: <https://www.verifiedmarketresearch.com/product/personal-luxury-goods-market/#:~:text=Personal%20Luxury%20Goods%20Market%20Size%20And%20Forecast%20Personal,a%20CAGR%20of%205.20%25%20from%202021%20to%202028.>





Source : Bain & Company <https://www.bain.com/insights/from-surging-recovery-to-elegant-advance-the-evolving-future-of-luxury>

Rising disposable income, improved living standard , and a shift in consumer choice toward premium brands which in turn encourages producers to focus on innovation , rising fashion consciousness, increased urbanisation, and modern lifestyle and demand for luxury items that has also fuelled worldwide market expansion are the key drivers to expanding personal luxury goods global market. According to the study, accessories remained the largest and fastest-growing category of personal luxury goods. Generation Y is projected to comprise more than half of the market by 2025, with the Internet as the major distribution channel.



**Source :** <https://www.bain.com/insights/from-surging-recovery-to-elegant-advance-the-evolving-future-of-luxury/>

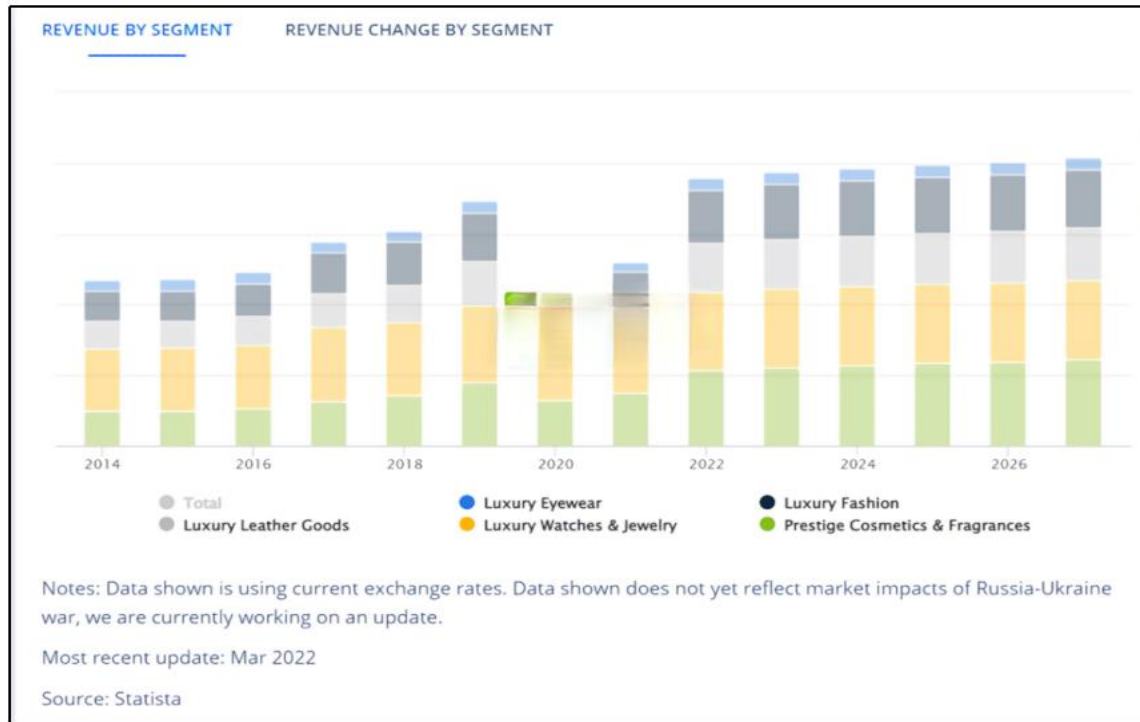
Compared to 44% in 2019, Generation Y(also known as millennial) and Generation Z will account for approximately 63%, or two-thirds, of sales of personal luxury products in 2021 and, will represent over 70% of the market by 2025 as a result of declining influence and spending of GenX and Baby Boomers. Bain predicts that this cohort will be responsible for approximately 180 percent of all market growth between 2019 and 2025, making it imperative that companies cater to the cultural, social, and environmental concerns of this demographic in their marketing strategies. The rise of secondhand luxury shows how next-gen customers' values have shifted. Its ascent underscores "luxury post-consumerism," in which exclusivity gives way to inclusion. Post-consumerists use luxury labels like "badge of values" as the contra to "badge of wealth". Post-consumerism will compel first-hand luxury brands to generate social value around environmental sustainability, diversity equality, and brand meaning.

Online stores as a distribution channel are expected to steer the market as the consumer preference is enrouting e-shopping, and particularly among the youth . This shift is owing to the extraordinary ease and convenience provided by e-stores such as round the clock the availability, pricing and quality comparison between brands. The appeal of online luxury buying transcends generational lines. By 2025, online retail will account for 28%–30% of the global market for personal luxury goods, overtaking monobrand physical retail locations (26–28 percent), outlet shops (13–15 percent), specialised stores (10–12 percent), department stores (10–12 percent), and travel retail (5–7 percent). Given the substantial investment by luxury conglomerates, monobrand websites (those devoted to a single brand) currently account for around 40 percent of online sales. The most popular online luxury goods categories continue to be leather goods, footwear, and skin care products. It is anticipated that the availability of high-quality commodities under one roof would provide specialised stores with a competitive advantage, thus accelerating their CAGR. Increasing brand loyalty and standardisation of prices will lead to an ever-increasing demand for luxury on this channel .

## **LUXURY GOODS MARKET IN INDIA**

India's love of luxury goes back a long way, to the time before independence, when the royal families were hailed as luxury cognoscente. India's illustrious history of luxury offers immense opportunity for both international and domestic luxury brands to achieve global recognition sooner or later. It is anticipated that by the year 2030, the value of the Indian luxury market will go beyond \$200 billion from its current level of \$30 billion. This growth is attributable to increasing influx and exposure to international brands, as well as the high purchasing power of the Indian upper class in tier II and tier III cities. Economic development, greater connectivity, and regulatory reforms will add to this growth momentum in coming.

**Figure 6 : Luxury Goods Market In India (Revenue by Segment)**



**Source : Statista <https://www.statista.com/outlook/cmo/luxury-goods/india#revenue>**

## MAJOR TRENDS IN INDIAN LUXURY MARKET

### Millennials will drive luxury :

India is one of the world's fastest-growing luxury markets , and demographically, will have one of the youngest populations until 2030, with an average age of 31 compared to 40 in the U.S. and 42 in China. India will add more earners than any other country. This generation will be raised in a more self-assured and open India; As a result, they will desire to live a better life and spend more money on luxuries than their forefathers. In the future, favourable demographics will promote a robust increase in the consumption of luxury. Moreover , this generation wants luxury that represents their individuality and ideas, rather than merely being a status thing.

### **Rise of Gen Z :**

There will be 370 million Gen Z customers( between the ages of 10 and 25) in India by 2030. For them, digital will be the 'new standard.' and henceforth the rules of the luxury market will be rewritten. This generation will have different values and ideas than Generation Y, they will adopt technology-driven consumption models , prefer brands that abide to ethics, social responsibility and honesty , look for brand connections and will place a bigger emphasis on social media versus traditional marketing channels. To create additional opportunities for brand engagement to new-age shoppers, luxury brands should invest in technological development using IOT, AI, and VR.

### **Growing Middle Class :**

Middle class buyers will drive expansion in India's luxury market. By the year 2030 the number of middle-income families is expected to rise to \$300 million ,148 million more than in 2018. Upper middle-income households will account for 47% of overall spending (World Economic Forum, 2018). In the next ten years, middle-income customers will account for 80% of additional spending, and they will want quality products and services. Consequently, luxury brands should provide a vast selection of 'masstige' brands in segments such as garments, accessories, watches, handbags, and personal care items. The industry presents a tremendous opportunity for high-end international businesses to join these markets in India.

### **A Better Connected India :**

As per World Economic Forum report, the number of internet users in India will grow from 627 million to 1.1 billion by 2030. This will result in more informed consumers who will demand greater transparency from brands. Democratizing internet access would provide a significant chance for luxury businesses to reach consumers in India's interior, which has previously been difficult. E-commerce will be bring luxury to the front line in the next years.

### **Luxury penetrating in Tier2 & Tier 3 Cities :**

Indian customers in large and small towns will spend more on luxury things due to growing buying power, urbanisation, brand awareness and also with the rise of brand consciousness, social media, easy access, and expectations. A drastic change in consumers' attitudes and buying habits will seen. There would be significant demand from many segments across India, ranging from high-end luxury autos to premium restaurants to affluent lifestyle brands. Hence, Luxury brands seeking expansion must target both the range of large and small locations.

### **Technology Driven Business Models :**

Modern business in India will include renting services, subscription models, and other technologically-driven innovations. PricewaterhouseCoopers predicts the worldwide rental industry will reach \$335 billion by 2025, with India's contribution at \$35 billion. Young consumers value 'use' over 'ownership', experience, convenience, and variety are important. The Clothing Rental, Flyrobe, The Stylease, Rentit Bae, etc. see huge potential in India. With changing consumer attitudes and strong internet penetration, the concept of sharing luxury goods will be the next big trend in the Indian market. As per Euromonitor, Millennials and Gen Z will make up 77% of India's population in 2030 and this young, affluent, tech-savvy, and optimistic consumers will pilot innovation in luxury products, services, and business models.

### **LUXURY MARKET IN TIER 2 & TIER 3 CITIES**

Developed markets are witnessing stagnation. Similar is the case with regard to the luxury sector. One possible solution is channelizing to emerging markets & economies. However, there is relatively little literature on affecting country variables and what drives the success of a luxury brands in such markets. In emerging markets, luxury still signals status and brings one's self-image closer to people in a more pronounced social role, especially by way of exhibition of striking logos (Kaufmann and Manakova 2012). This inclination can be explained by increasing discretionary income and possessing high-end products as criterion to personal comparison (Lewis 2016). Classic luxury markets remain prime "revenue generators", but "new money consumers" who imitate traditional customers are driving the industry ahead (Deloitte, 2018). American Express found that consumers in India's tier II cities are eager to spend on high-end clothes, vehicles, and technology. Luxury spending in India rose 4% between 2013 and 2018, with tier II cities expanding 30 times faster than tier I. Women in Chandigarh, Jaipur, and Ahmedabad spent on luxury fashion boutiques, while men spent on high-end hotels and cars. Tier-II and III cities' rising affluence has created a middle class and HNIs, and 40% of India's UHNIs live in these cities, according to Kotak Wealth Management. Post-1991 liberalisation has aided the rise of "neo-middle class" which is the fastest-growing, highest-spending market. Brands and businesses have gradually infiltrated the country's tier 2 and 3 cities' regional areas as they offer enormous market potential. With India's growing middle class, luxury goods manufacturers now have the potential to explore the diversity and aspirations of consumers across its micromarkets.

## SUMMARY

Luxury companies will go on to redefine themselves by going past creativity and quality to promote economic growth, cultural development, and social improvement. Modern luxury brands are adapting to consumers' changing tastes. In some markets, a product's heritage and timelessness define luxury, whereas in others, it's the experience or exclusivity of the service. As the industry matures, new terms will emerge, namely metaverse, extensive personalisation, and tech stack. Luxury players must rewrite the rules, alter their operations, and redefine their purpose to satisfy new customer needs and loyalty. True luxury is an object or experience that has stood the test of time and can be handed down to subsequent generations. Luxury brands are more sustainable and have established the benchmark in design, material quality, craftsmanship, and time-tested procedures. People will always want luxury; it's in our DNA.

## EXPERIENTIAL MARKETING , LUXURY BRANDS & TRENDS

Marketing is vital to any sales-driven business. As a result, marketers strive to remain innovative in this industry. Experiential marketing cuts through advertising noise and tiredness by immersing people in the product or service in a more profound way than is typical. Luxury brands no longer rely entirely on tradition and traditional marketing. To get through the digital noise, brands require something distinctive.

### 3.9.1 Some Statistics on Experiential Marketing

- 75% of marketing event attendees felt better connected to a brand after a B2C experience. (AgencyEA)
- 65% of brands link experiential marketing to sales performance (EventMarketer). Brands are expanding experiential marketing expenses because people prefer real-time, engaging events. These events promote both marketing and sales by developing a lasting connection with a lead. 85% of consumers are likely to buy from a brand after experiencing it.
- 91% of event attendees have a more positive view of the brand it represented.
- 98% of Consumers Create Digital Content when Attending Events (Chaos Theory)
- 50% of marketing convention attendees stated a virtual experience made them feel connected to a brand. (Agency EA 2021).
- 86% believe that event success is best measured by attendee satisfaction. (Aventri). From the initial hook until the final purchase, customer satisfaction is crucial. An excellent strategy for establishing credibility is to host an event where attendees may learn about and interact with a product they may not have before encountered.
- 75% said networking was important (AgencyEA)
- 32% of businesses market through live events or trade shows. After an activation or interaction, 91% of respondents said they'd buy a brand's products or services. (2021 Hubspot)
- 40% of customers felt they became more loyal to the brand. (EventTrack 2021)

## **Trends in Experiential Marketing**

### **In-Person Interaction is Here to Stay**

With technology fostering remote trends, many feared the epidemic would kill in-person interaction and tradeshows. However 85% of consumers say they spend more after attending events or exhibitions. In a physical retail store, luxury consumers look for a caressed shopping experience. Affluent shoppers frequent boutiques for greater service and merchandise. The experience has always been an integral component of luxury purchases.

### **The Rise of The Virtual Experience**

Marketers are opportunists. Experiential marketers were forced to learn digital skills during the pandemic. This is a trend that will coexist with in-person events. Hybrid events will be utilised where digital is cost-effective. Although these remote experiences are not novel, the pandemic has created the acceptance, skills, and precedent for them. This trend will be amplified by technological advancements. Virtual reality is creating new opportunities for marketing professionals. It may be early, but this pattern also applies to emerging and future technologies such as the metaverse.

### **Social, Environmental & Political Responsibilities :**

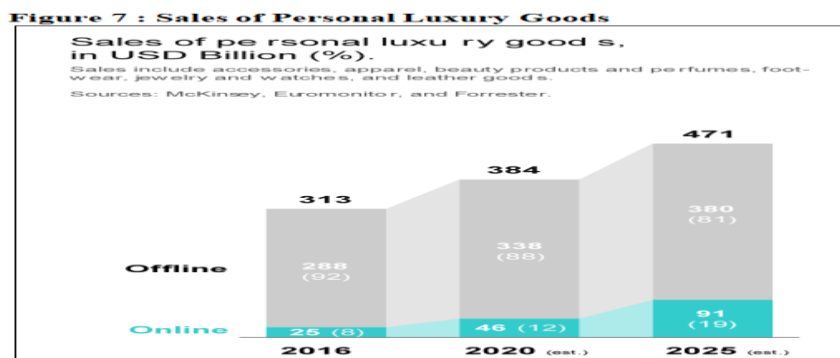
In the recent decade, many industries have emphasised equality, advocacy, and accountability. Companies can no longer avoid addressing political and social challenges. Additionally, there are calls for more eco-friendly experiential marketing efforts. Affluent consumers are increasingly demanding that luxury firms demonstrate social responsibility and sustainability best practices. According to a study from Nielsen, 73% of Millennials will pay more for a sustainable or socially conscious brand.

### **Luxury 4.0 and the Big Data:**

Evolving is a Luxury 4.0 - “an operating model in which brands and retailers leverage data to establish client intimacy, capture emerging customer preferences, and streamline the process of developing new items from concepts.” Big data and artificial intelligence are changing the dynamics between wealthy consumers and brands. This transformation is a result of generational shift among wealthy customers. In fact, Millennials and Generation Z buyers are presently driving the global growth of luxury purchases. The benefits are substantial, as 85 percent of luxury brands' revenues derive from database-enrolled clients. Through big data analysis, luxury brands identify their affluent customers, track their choices, and understand their routines and buying habits, communicate with them in a way that establishes long-term connections. These insights enable luxury businesses to deliver personalised content,



engage with their customers , offer exclusivity and an exceptional experience, so creating a competitive advantage. Moreover,the integration of digital technology into existing business models will enable luxury brands to create a seamless online consumer experience, expanded market presence and sales. The Economist ranks big data as one of the most valuable assets a company can maintain. While digital-first companies are often at the forefront of data collection and insights analytics , the sheer size of their offline retail presence gives conventional luxury businesses a significant competitive advantage. Market share will go to brands who successfully combine online customer data with offline insights. Research by McKinsey indicates at least forty percent of all luxury purchases are influenced by a customer's online experience.



Source : <https://www.mckinsey.com/industries/retail/our-insights/luxury-in-the-age-of-digital-darwinism>

### Generational Shifts in Luxury sales :

Generational shifts in luxury sales accelerate the rise of digital in luxury. Millennials (born between 1981 and 1994) and Generation Z (born between 1995 and 2010) customers currently comprise over 40% of all luxury expenditure and drove 100% of global luxury growth in 2019. As a result of this generational transition away from baby boomers and toward millennials and Gen Zers, the latter are now the driving force behind market expansion across the globe.(Claudia D’Arpizio, Bain & Company). To appeal the Generation Z, high-end businesses are transforming their storefronts into brand-focused showrooms. Accenture found that “Generation Z shoppers are less loyal to brands, more influenced by social media, receptive to new ideas, and impulsive. They want a quick and convenient shopping experience.”

Despite a predilection for internet shopping, most generation Z still prefer to shop in-store. They wish to examine the context of a product and make the best selection feasible. This includes blog reviews, endorsement from influencers, social media popularity, shopping comparisons, and customer feedback. Generation Z wants engaging, personalized brand stories. Not just the product, they want a life-changing experience and their purchase must have purpose and meaning. Amazon, the largest online retailer, is physically displaying top-rated books with customer reviews at its New York City bookstore, bridging the gap between online and real experiences. The way Amazon sellers handle Prime members is unique. VIP discounts are available to Amazon Prime members. This strategy solves Gen Z's brand loyalty problem. In fashion, consumers still want to be able to touch and feel a product, especially if they are buying a luxury item. According to Deloitte Insights' 2021 Global Marketing Trends, Younger generations interact with brands the most. Generation Z participates in brands at a rate of 73%, whereas over-45s participate at a rate of 42%. Age has a strong correlation with passion and engagement. In other words, an individual's age, the role of passion in engagement increases.

Figure 8 : Participation by Age

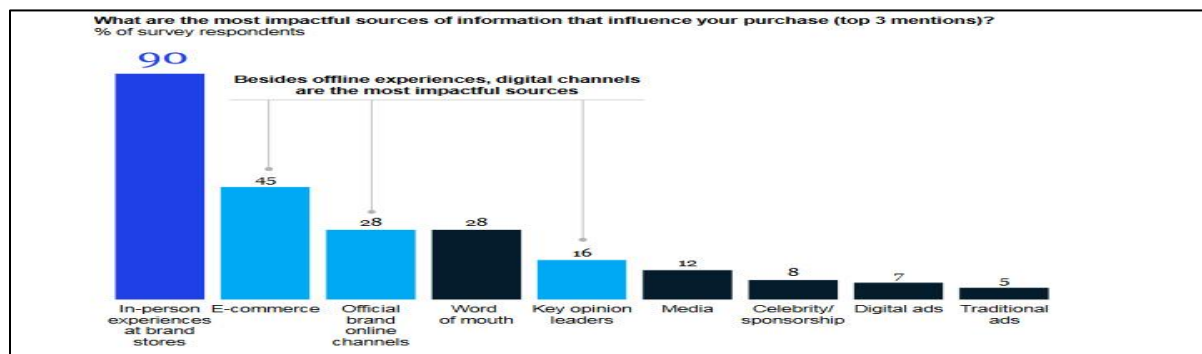


Source: Deloitte Global Marketing Trends C-suite Survey.

## WHY EXPERIENTIAL MARKETING KEEPS LUXURY BRANDS RELEVANT

Consumers desire to have life experiences that go beyond a brand and its products. This is the Millennial-minded transformation of luxury - experiences that are distinctive, real, and easily shareable online. According to a report by Eventbrite (2014), 72% of Millennials choose

Figure 9 : Sources of Information Influencing Purchase Decision



Source : <https://www.alioze.com/en/figures-luxury>

### **Experience Luxury Brands in an Unforgettable Way :**

Experiential marketing delivers premium-prompt and tailor-made services to customers with acute attention to details and this experience is missing in digital client relationships. Marketers can employ such strategies to create the wow factor (i) Orient to meaningful causes to engage your consumers. One such example is an activation campaign “100 years: The song we’ll only hear if we care” , by the luxury spirits brand Louis XIII Cognac’s . They made the brand a climate change pioneer. It appeals to the growing desire of customers to feel as though their purchases are a part of something greater. It also describes the century-long procedure of creating this delicious brandy. (ii) using technology to build cutting-edge marketing and virtual reality experiences. (iii) Having a product pop-up. Marc Jacobs fragrances are popular since 2007. They launched their new Daisy Love Eau So Sweet fragrance at a pop-up event. (iv) Immersive, dream-like experiences (v) Johnnie Walker created a Game of Thrones-inspired limited-edition product with HBO.

### **Brings brands and customers together :**

One of the biggest issues confronting luxury brand is evolving preferences of affluent consumers. To engage meaningfully, brands must be radical with their creative ideas. They must also understand what consumers want while continuing the brand's story. It is also a two-way interaction that the customer can see, hear, touch, and feel rather than a one-way marketing message. It enables people to appreciate a brand and its values while also improving a company's connections with new and current consumers

### **Technology is transforming how consumers see brands:**

It might be difficult for luxury businesses to articulate what it is that makes them wealthy; nevertheless, augmented and virtual reality make it possible for brands to bring experiences to life and develop campaigns with scalability. For example , Using virtual reality, Jeep's "virtual test drive" and Marriott's "what ifs" encourage passersby to teleport to sandy beaches or the cityscape. Similarly, Baptiste & Bottle designed a multi-sensory VR cocktail experience. Customers of its sumptuous whiskey-based beverage used headsets to experience a Scottish forest.

### **Drive Sales :**

Trying a product in person increases your likelihood of buying it. That's it. No matter how fantastic an online description or photo is, we're always more confident in a purchase after seeing it in person. Experiential marketing is great for new product launches because it lets people see the product. Whether it's a free sample or a unique demonstration, you can enhance sales and generate awareness with a campaign like this.

### **Create Loyal Brand Advocates :**

Create an entertaining, memorable, and engaging experience, and you will differentiate your brand in the consumer's mind. This resonates with customers and builds trust. Even if it's subconscious, good feelings might be the difference between a competitor and your brand.

## **CONCLUSION**

Experiential luxury elements can be integrated into a physical object in a number of ways and so firms must involve consumers from the very beginning. Brands must make online and in-store shopping as engaging and unique as possible. This is a crucial touchpoint for communicating directly with clients. Secondly, the luxury purchase process should be made more pleasant. Third, it is important to build a relationship beyond a transaction. Luxury products usually symbolise a special moment or milestone. This is a wonderful opportunity to develop consumer loyalty for a luxury brand. Give customers after-sale access and information. Host events to build brand awareness. Share tips on how to maintain or style your merchandise. This group of customers develop brand loyalty and favourably influences online brand discussions. Finally, marketing strategist must communicate the brand's values throughout the customer's journey. Every business, including luxury, needs a seamless connection between online and offline luxury experiences, a distinct identity and to do so any physical retail space can draw insights from the online sales model to meet consumer demands. Clearly, the buying experience should be easier and simpler than online.

## REFERENCES

- Antonio Achille and Daniel Zipser, A perspective for the luxury-goods industry during—and after— coronavirus (April 2020). retrieved from Mckinsey  
<https://www.mckinsey.com/~media/mckinsey/industries/retail/our%20insights/a%20perspective%20for%20the%20luxury%20goods%20industry%20during%20and%20after%20coronavirus/a-perspective-for-the-luxury-goods-industry-during-and-after-coronavirus.pdf>
- ASSOCHAM (2016). The rise of online shopping for luxury brands in India. Retrieved from <http://indianexpress.com/article/technology>
- Balachander, S., & Ghose, S. (2003). Reciprocal Spillover Effects: A Strategic Benefit of Brand Extensions. Journal of Marketing, 67(1), 4–13. <https://doi.org/10.1509/jmkg.67.1.4.18594>
- Claudia D’Arpizio, Federica Levato, Filippo Prete and Joëlle de Montgolfier, [\*\*Eight Themes That Are Rewriting the Future of Luxury Goods\*\*](#), Bain & Company, February 05, 2020. Retrived [https://www.bain.com/insights/eight-themes-that-are-rewriting-the-future-of-luxury-goods/?utm\\_source=luxedigital](https://www.bain.com/insights/eight-themes-that-are-rewriting-the-future-of-luxury-goods/?utm_source=luxedigital)
- Deloitte. 2018. Global Powers of Luxury Goods 2018 - Shaping the future of the luxury industry. Retrieved <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Consumer-Business>
- Dewey , D . ( 2009 ) The impact of the current economic crisis , <http://beta.luxurysociety.com/articles/2009/06/the-impact-of-the-current-economic-crisis> , accessed 1 May 2010
- Eventbrite Report by Harris Poll , [\*\*Millennials Fuelling the Experience Economy\*\*](#), July 1, 2014. Retrieved [http://eventbrite-s3.s3.amazonaws.com/marketing/Millennials\\_Research/Gen\\_PR\\_Final.pdf?utm\\_source=luxedigital](http://eventbrite-s3.s3.amazonaws.com/marketing/Millennials_Research/Gen_PR_Final.pdf?utm_source=luxedigital)
- EventTrack 2021 Report ([\*\*EventTrack\*\*](#) 2021) Retrieved <https://eventmarketing.wufoo.com/forms/wwlx8og19gm1ps/>
- EventTrack: The Event & Experiential Marketing Industry Forecast & Best Practices Study – analysis of consumers and brands on the impact of event and experiential marketing, 7<sup>th</sup> Annual Edition , 2018, Retrieved <http://www.eventmarketer.com/wp-content/uploads/2018/06/eventtrack2018execsumm.pdf>

- Global Powers of Luxury Goods 2018 , Shaping the future of the luxury industry , Deloitte , Retrieved <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Consumer-Business/cb-global-powers-luxury-goods-2018.pdf>
- Goldman, A. (1975). The Role of Trading-up in the Development of the Retailing System. Journal of Marketing, 39(1), 54–62. <https://doi.org/10.1177/002224297503900109>
- Hubspot Marketing Industry Report 2021 (Hubspot 2021) Retrieved <https://blog.hubspot.com/marketing/hubspot-blog-marketing-industry-trends-report>
- Husic, M., and M. Cicic. 2009. Luxury consumption factors. Journal of Fashion Marketing and Management: An International Journal 13 (2): 231–245.
- Kapferer, JN., Bastien, V. The specificity of luxury management: Turning marketing upside down. J Brand Manag 16, 311–322 (2009). <https://doi.org/10.1057/bm.2008.51>
- Kaufmann, H., D. Vrontis, and Y. Manakova. 2012. Perception of luxury: Idiosyncratic Russian consumer culture and identity (Vol. 2).
- Lewis, A., and M. Moital. 2016. Young professionals' conspicuous consumption of clothing. Journal of Fashion Marketing and Management: An International Journal 20 (2): 138–156. <https://doi.org/10.1108/JFMM-04-2015-0034>.
- Linda Dauriz, Nathalie Remy, and Nicola Sandri, [Luxury shopping in the digital age](#), by McKinsey & Company, May 2014. Retrieved [https://www.mckinsey.com/industries/retail/our-insights/luxury-shopping-in-the-digital-age?utm\\_source=luxe.digital](https://www.mckinsey.com/industries/retail/our-insights/luxury-shopping-in-the-digital-age?utm_source=luxe.digital)
- [Luxury Goods - India | Statista Market Forecast](#) Retrieved [ww.statista.com/outlook/cmo/luxury-goods/india](http://ww.statista.com/outlook/cmo/luxury-goods/india)
- Luxury Retail Hits The Wall (2017) Retrieved <https://www.forbes.com/sites/stevendennis/2017/03/07/luxury-retail-hits-the-wall/#33bc159f401e>.
- [PQ Media's Global Experiential Marketing Forecast 2020](#) (Cision 2020) Retrieved <https://www.pqmedia.com/product/global-experiential-marketing-forecast-2020/>
- Reddy, Mergen & Terblanche, Nic. (2005). How Not to Extend Your Luxury Brand. Harvard Business Review. 83.
- Völckner, F., & Sattler, H. (2006). Drivers of Brand Extension Success. Journal of Marketing, 70(2), 18–34. <https://doi.org/10.1509/jmkg.70.2.018>

#### Websites

1. <https://www.visualcapitalist.com/charting-the-rise-and-fall-of-the-global-luxury-goods-market>
2. <https://www.marketwatch.com/press-release/consumer-luxury-goods-market-2022-drivers-and-applications-are-pertinent-for-sustenance-during-the-forecast-period-2028-2022-09-12>
3. <https://www.transparencymarketresearch.com/luxury-goods-market.html>
4. <https://www.alioze.com/en/figures-luxury>
5. <https://www.bain.com/insights/from-surging-recovery-to-elegant-advance-the-evolving-future-of-luxury>

## Non-Performing Assets of Commercial Banks: A Trend Analysis

Dr. Urmila Bharti\*  
Dr. Surender Singh\*\*  
Dr. Rakesh Kumar\*\*\*

### ABSTRACT

*The Indian banking segment depicts spectacular development since nationalization on one side but, has shown significant decline in profitability and efficiency also on the other side. It clearly exhibits the picture of erosion of profit in facts. Even though, the Indian banks are working hard to face the global challenges and no doubt their performance is commendable. The power and potency of a banking sector can have extensive and radical implications on the growth of an economy. Even though absolute supervision is done by GOI and by banking regulators, but due to one reason or another the banks failed to convert all their assets in the performing assets. In spite of utmost care taken by banks many assets either get converted into bad debts or failed to produce income to the them and became non-performing assets.*

*The present study aims at analyzing the NPA's of Scheduled Commercial Banks. It is a descriptive study based on analytical research design and secondary data. This study is based on facts and figures of nationalized banks in India for a period of 10 years from 2008-09 to 2017-18. In this paper, an attempt has been made to study the level of NPAs and its effect on the performance of different banking groups viz. public sector banks, private sector banks and foreign banks. The level of NPAs depend upon the number of defaulters so banks has to be very vigilant in identifying these defaulters. It will help the banks to reduce the incidences as well as the level of NPAs. Government along with regulators are required to initiate innovative and stringent policies in this regard.*

*Keywords: Financial System, NPA, Commercial Banks, PSBs, Reserve Bank of India*

\*Dr. Urmila Bharti, Associate Professor, Commerce Department, Zakir Husain Delhi College (Evening), (University of Delhi), Jawahar Lal Nehru Marg, New Delhi

\*\*Dr. Surender Singh, Associate Professor, Commerce Department, P.G.D.A.V. College, (University of Delhi), New Delhi

\*\*\*Dr. Rakesh Kumar, Associate Professor, Commerce Department, P.G.D.A.V. College, (University of Delhi), New Delhi

## **INTRODUCTION**

The financial system of a nation has always been an essential requirement for the existence of a vibrant economy. The financial sector of a country is a primary driver of a nation which provides the funds as well as liquidity. The banks of this banking segment can be treated as the economic wing of that nation. So, the productivity and profitability performance of these banks gives an indication of state of economic development and growth. In developing countries specifically in India, banking industry is entitled as the lifeline of all its commercial transactions done by either government or by general public for the reason that all the commercial transactions are routed through banks. The policy of digitalization and financial inclusion by the Government of India highlighted the prominent status of banking industry again. As a consequence, the Indian banks have transformed themselves and turned into universal banks which provide all financial services (whether traditional or modern) under its ambit. Modern banks are playing a significant role in the channelization of savings and credit to the needy productive areas such as commerce, trade and agriculture etc.

Banks are generally termed as the custodians and distributors of the liquid assets of a nation. Banks are the trustee organizations which accept funds from the people and mobilize them for productive purposes. Hence, it adds to the national income and contributes a lot in the economic progress of the economy. The banks play a crucial role in breaking up the vicious circle of poverty as well as to retrieve the financial system.

The Indian banking segment depicts spectacular development since nationalization on one side but, has shown significant decline in profitability and efficiency also on the other side. It clearly exhibits the picture of erosion of profit in facts. Even though, the Indian banks are working hard to face the global challenges and no doubt their performance is commendable. The power and potency of a banking sector can have extensive and radical implications on the growth of an economy. So, every regulator is required to have effective policies for this segment and also their proper implementation is equally important for strengthening the power of the economy as well as of nation.

## **NON-PERFORMING ASSETS**

Like any other organization, banks do have many assets such as current assets, loan and marketable securities, long-term assets, investment securities and other investment assets. Some of these assets are performing assets means which are able to earn a return and others are non-performing assets which are not able to retrieve the benefit due to one or other reason. So, the non-performing assets are not yielding any return i.e., interest to the banks. These assets can be in the form of loans, advances and investments. It means that if a banking asset is able to get a return in the form of interest and is exposed to the normal usual risk, it remains in the category of productive asset. But when a banking asset is not able to get a return in the form of interest and is exposed to some unusual risk, it turns into a non-productive asset and becomes a 'Non-Profitable Asset'. Bank loses all the income like interest, fees, commission etc. which would otherwise have been aroused.



As per the definitions given by Reserve Bank of India, if the interest/principal/both remains unpaid in a credit given by bank for a specific time period then this credit facility would turn into a Non-Performing Asset (NPA). The Reserve Bank of India has defined the term ‘Specific Period’ as follows:

Year ending 31 <sup>st</sup> March	1993	1994	1995 Onwards
Specific Period	4 Quarters	3 Quarters	2 Quarters

Historically, the term ‘Past Due’ means when the amount under a particular credit facility remains unpaid for 30 days from the due date. But, now as there is lot of advancements in the Payment and Settlement System, Recovery Regulations and technology, RBI has relinquished the concept of ‘Past Due’ with effect from 31<sup>st</sup> March 2001. From this date onwards, the NPA is treated and defined as an advance where:

- ❖ In respect of a Term Loan, if dues (like the interest/Instalment of Principal/ both) of a loan provided by bank remains unpaid for a period of more than 6 months (i.e., 180 days).
- ❖ In case of an Overdraft Facility/Cash Credit Facility, if the outstanding balance is in excess of drawing limit continuously for a period of more than 6 months (i.e., 180 days).
- ❖ In case of Bills Discounted, it remains outstanding for a period of more than 6 months (i.e., 180 days).
- ❖ With respect to an advance given for Agriculture Purposes, if the interest or instalment of Principal or both remains unpaid for 2 harvest seasons provided that the period should not exceed 2 half years.
- ❖ With respect to other accounts, if an amount remains unpaid for a period of more than 6 months (i.e., 180 days).

In order to ensure the similarity with global best practices and to strengthen the transparency, the norms has been changed. Now RBI has decided to replace the period of 180 Days by 90 Days, specifically for the purpose of identifying NPAs, with effect from 31<sup>st</sup> March 2004. So, with effect from 31<sup>st</sup> March 2004, NPAs has been defined as follows:

- ❖ In respect of a Term Loan, the interest or Instalment of Principal or both remains unpaid for a period of more than 90 days.
- ❖ In respect of an Overdraft Facility/Cash Credit Facility, the account remains ‘out of order’ for a period more than 90 days.
- ❖ With respect to Bills Purchased and Discounted, bills remain unpaid for a period of more than 90 days.

- ❖ With respect to an advance given for Agriculture Purposes, if the interest or instalment of Principal or both remains unpaid for 2 harvest seasons provided that the period should not exceed 2 half years.
- ❖ With respect to other accounts, if an amount remains unpaid for a period of more than 90 days.

### **CLASSIFICATION OF NPAs**

Even though absolute supervision is done by GOI and by banking regulators, but due to one reason or another the banks failed to convert all their assets in the performing assets. In spite of utmost care taken by banks many assets either get converted into bad debts or failed to produce income to the them and became non-performing assets. In banks, loans and advances are very vital assets. The interest payment and principal repayment on these assets by the customers generate cash flows for the banks and banks are able to maintain their profitability on the basis of interest received on these assets. But if these assets are not serviced for some time by the customers, then they start entering the category of non-performing assets. If these assets failed to generate the interest payments for short time period i.e., for less than 90 days, then it is known as past due and if the period of non- payment exceeds 90 days, then it becomes non-performing asset. As the level of these NPAs start rising, it becomes a threat to the efficiency of the banks in the shorter run and a danger to the economy in the longer run. So Narsimham Committee has rightly mentioned that the NPAs are a serious issue of a nation and has to be treated on priority basis, otherwise it may lead to the collapse of the economy as well.

Based upon the different characteristics of NPAs such as period and realizability of the dues, these have been categorized into three main parts with effect from 31<sup>st</sup> March 2001. These are explained below:

1. Sub-Standard Asset: A sub-standard assets is that assets which has been there in the category of NPA for a period which is either equal to 18 months or less than it. It includes all those borrowers whose net worth or the market value of the mortgaged asset is not able to recover the full dues to the banks. It clearly pointed out that these asset certainly have credit weaknesses. It also highlighted the likelihood that if proper steps are not taken by banks, then they are definitely going to bear the losses to some extent.
2. Doubtful Assets: A doubtful assets is that asset which has been there in the category of NPA for a period of more than 18 months i.e., one and half years. A doubtful asset has all the fragility of a sub-standard asset along with the fact that if tries to recover the collection from borrower, then with the given conditions, it is highly questionable and unattainable.
3. Loss Assets: Loss asset is the NPA which has not been written off wholly or in parts in the books of accounts but has been recognized as loss either in the RBI inspection or by the bank, or by the internal auditor or by the external auditor. The loss asset can be reasonably assumed that it will not be repaid. This value is of small amount hence, it is not advisable to continue it as an asset in the bank's financial statements. However, there may be some recovery value left in it.

## **RESEARCH METHODOLOGY**

The present study aims at analyzing the NPA's of Scheduled Commercial Banks. It is a descriptive study based on analytical research design and secondary data. The information and data has been collected from various authentic sources such as, journals, IBA Bulletin, Statistics published by RBI, Annual Reports by the banks and other related websites.

## **SCOPE OF THE STUDY**

This study is based on facts and figures of nationalized banks in India for a period of 10 years from 2008-09 to 2017-18.

## **OBJECTIVE OF THE STUDY**

In this paper, an attempt has been made to study the level of NPAs and its effect on the performance of different banking groups viz. public sector banks, private sector banks and foreign banks. To achieve this main objective the following are set as the sub-objective:

- ❖ To understand the concept of NPAs and to pinpoint the root causes of NPAs in the Indian Banking System.
- ❖ To make a comparative study of NPAs of public, private and foreign banks.
- ❖ To analyze the impact of NPAs on banks and so on economy
- ❖ To give pertinent suggestions for avoiding future NPAs and to decrease the current level of NPAs.

## **LIMITATIONS OF THE STUDY**

The following may be considered as some of the limitations of this study:

1. The present study is based upon secondary data.
2. It is limited to SCBs (only public, private and foreign banks).
3. The period of study is 10 years. The analysis of a more longer period may change the results.
4. The impact of NPAs on bank's financial efficiency rather on overall financial performance has been investigated.
5. The classification of NPAs has been done on the basis of RBI Publications.
6. The circumstances at the national and international level are constantly changing. Hence, the generalization of results of this study can not be used for all types of banks.
7. It is purely based on current facts and figures without considering the future developments that may occur.

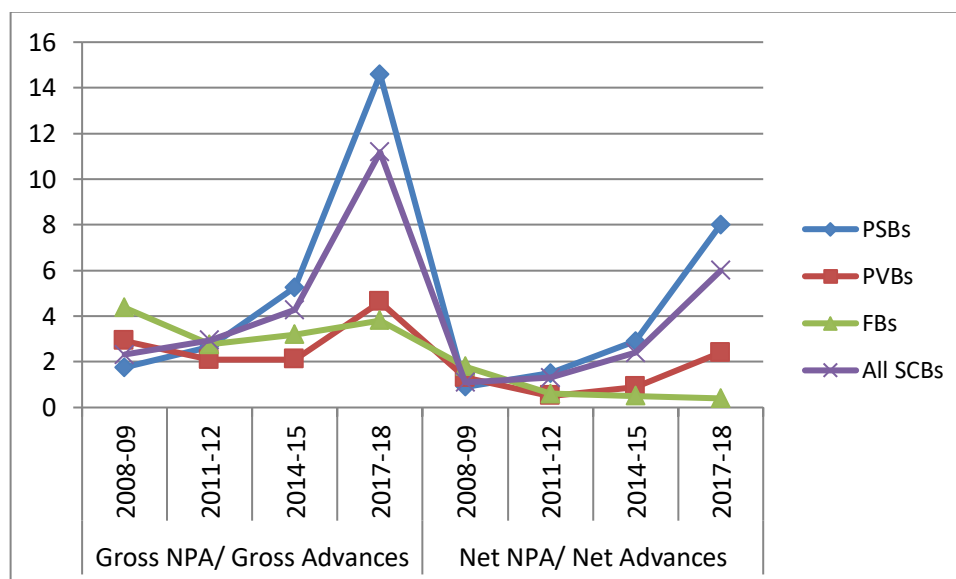
## TRENDS OF NPAs OF SCHEDULED COMMERCIAL BANKS

NPAs are the apparatus which help to measure the financial health and robustness of financial organizations like banks. NPAs form substantial drag for the banks by reducing their interest margins and by increasing their operating costs. This decline in the profitability of banks affect not only the performance of banks but also the industrial sector and so the economy.

**Table 1: NPA as a % of Advances- Bank Group Wise**

<b>Trends of Non-performing assets - Bank Group Wise</b>					
<b>Particulars</b>	<b>Year</b>	<b>PSBs</b>	<b>PVBs</b>	<b>FBs</b>	<b>All SCBs</b>
<b>Gross NPA/ Gross Advances</b>	2008-09	1.8	2.9	4.4	2.3
	2011-12	2.7	2.1	2.8	3.0
	2014-15	5.3	2.1	3.2	4.3
	2017-18	14.6	4.6	3.8	11.2
	<b>Average</b>	<b>6.1</b>	<b>2.9</b>	<b>3.5</b>	<b>5.2</b>
<b>Net NPA/ Net Advances</b>	2008-09	0.9	1.3	1.8	1.1
	2011-12	1.5	0.5	0.6	1.3
	2014-15	2.9	0.9	0.5	2.4
	2017-18	8.0	2.4	0.4	6.0
	<b>Average</b>	<b>3.325</b>	<b>1.275</b>	<b>0.825</b>	<b>2.7</b>

In India, non - performing asset (NPA) is a key factor that enhances the credit risk substantially for any bank. The deterioration in asset quality of Indian banks, especially PSBs, can be traced to the credit boom of 2006-2011 when bank lending grew at an average rate of over 20 per cent. Other factors that contributed to the deterioration in asset quality were lax credit appraisal and post-sanction monitoring standards; project delays and cost overruns; and absence of a strong bankruptcy regime until May 2016. The table exhibits that the gross NPA in public sector banks was only 1.75 percent (2008-09) which increased up to 14.58 percent in 2017-18. The performance of the public sector banks in risk management in the recent past years has been declining in view of NPAs. The ability of the banks to identify defaulters before lending is paramount for minimizing the incidence of NPAs. It needs to develop effective mechanism to proactively deal with potential defaulters.

**Chart 1: NPA as a % of Advances- Bank Group Wise**

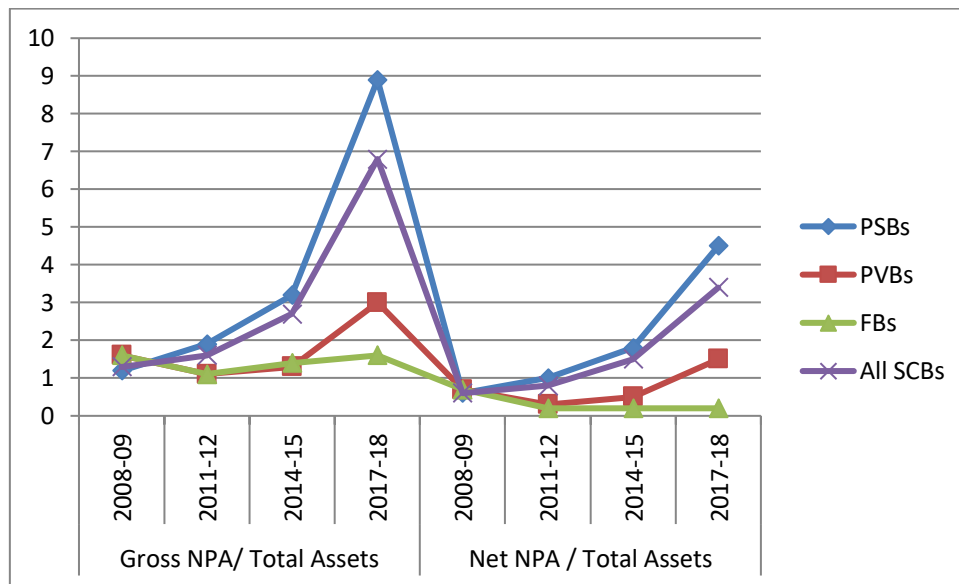
During 2017-18, the GNPA ratio reached 14.58 per cent for PSBs due to restructured advances slipping into NPAs and better NPA recognition. For PVBs, it remained at a much lower level but rose during the year. Among all the bank groups, foreign banks were working effectively and hence able to decrease the level of NPA. Supervisory data suggest that during the financial year 2018-19, the resolution of some large NPA accounts resulted in an improvement in asset quality of SCBs.

**Table 2: Trends of NPA As % of Assets**

Trends of NPA as % of Assets - Bank Group Wise					
Particulars	Year	PSBs	PVBs	FBs	All SCBs
Gross NPA/ Gross Advances	2008-09	1.2	1.6	1.6	1.3
	2011-12	1.9	1.1	1.1	1.6
	2014-15	3.2	1.3	1.4	2.7
	2017-18	8.9	3	1.6	6.8
	Average	3.8	1.75	1.425	3.1
Net NPA/ Gross Advances	2008-09	0.6	0.7	0.7	0.6
	2011-12	1.0	0.3	0.2	0.8
	2014-15	1.8	0.5	0.2	1.5
	2017-18	4.5	1.5	0.2	3.4
	Average	1.975	0.75	0.325	1.575

RBI's financial report said that public sector banks are worst hit as there gross NPA increased to 8.9 percent in 2017-18 from 1.2 percent in 2008-09. The increase over the period was 6.42 times. In the case of Private Sector Banks, it has steadily been increased from 1.6 percent in 2008-09 to 3 percent in 2017-18. The increase over the period was 0.88 times. As far as the Foreign Banks are concerned, the asset quality of FBs improved marginally. It is observed that all Indian Scheduled Commercial Banks' Gross NPAs have been increasing year after year except foreign banks.

**Chart 2: Trends of NPA As % of Assets**



*The overall risks to the banking sector remained elevated due to asset quality concerns. Between 2008-09 and 2017-18, the net non-performing advances (GNPA) ratio of scheduled commercial banks (SCBs) increased from 0.6 per cent to 1.5 per cent. Banks which have relatively lower asset quality tend to have high non-performing assets. The Economic Survey 2015-16 also alarmed the policy makers about growing bad debts with the banks and their potential to disrupt the growth prospects in the future.*

## **NPAs: ISSUES AND CHALLENGES**

The declining performance of banks due to considerable level of NPAs has highlighted the emergency to fix this problem. The level of NPAs in banks is due to few large corporates (such as steel, power, infrastructure and textiles etc.) specifically, which needs to be controlled. Like any other corporate, these businesses have expanded their capacity during boom but were unable to face the slowdown which aroused due to global financial crisis. Though, GOI is trying its level best to solve the problem by implementing various sectorial specific measures. Yet a lot is required to be done to ensure NPA free banking environment.

## CAUSES OF NPAs

NPAs are a severe threat to the banking system as it affects not only liquidity and profitability of banks but also impose a great question mark on the quality of asset and survival of banks. It also put a constraint and deteriorates the qualitative aspect of lending of banks. It is very difficult to manage and solve a problem until and unless the causes behind the origin and growth of that problem are unknown. An attempt has been made to highlight the significant causes behind the non-performing assets, which are as follows:

- **World Financial Meltdown:** Till the world financial slowdown, Indian economy was doing good and was enjoying the booming phase. It had witnesses highest growth in GDP during this phase i.e., in the initial years of 21<sup>st</sup> century. The corporate sectors in India were predicting the vigorous growth and hence took massive credits from the financial institutions. These funds had been invested in giant projects having long gestation periods such as highway constructions, ports, airports, steel and power etc. But when the Indian economy faced financial meltdown in 2008, the growth of Indian industries affected adversely and started declining.
- **Financial Swindle:** The loans provided by the banks many corporates stuck in many big projects due to policy paralysis and scams. The corporations involved in these big projects failed to pay either instalment or principal or sometimes both. All the investments turned unproductive as well as unprofitable, which looks very cost effective till 2008 and as a result non-performing assets shows a tremendous rise after the financial crisis of 2009. The accumulating effect of national and international events increased the total payment of corporates to the public sector banks by 20.41% (i.e., `6,09,222 crore) of the gross advances in December 2017.
- **Natural Disasters:** India is a natural disaster-prone country. From time-to-time India is hit by natural disaster so creating an obstacle in the performance of industries, thus making them incapable to pay back their dues. It forces banks to make large amount of provisions for these unpaid dues and end up their accounts with fiscal deficit. So, these natural disasters are also responsible for making remarkable increase in the NPAs.
- **Self-Willed Defaults and Scams:** The willful defaults in the payment of interest and repayment of principal is also a serious concern needs to be addressed. There is a tremendous increase in the level of NPAs due to these willful defaults over past few years. Among the different banking groups, the public sector banks are the most affected banks. Kingfisher Airlines Ltd., Beta Naptol etc., are well known willful defaulters in India.

- **Economic Volatility:** All the industries are dependent on financial institutions to meet out their financial requirements. A industry is subject to many risks varying from market risks like inflation to environmental issues. All these risks can put an industry in trouble which in turn bound to hit the financial institutions and thus will increase the NPAs level.
- **Gritty Credit Scrutiny System:** NPAs to some extents are the result of gritty credit scrutiny system of the banks. Many market factors like economic slowdown, negligence on the part of bank authorities, absence of proper enquiry system and artificial credit rating of the corporations are also some reasons behind the steep rise in the NPAs.

### IMPACT OF NPA

- **Impact on Stability of Banks:** All the loans and advances which are provided by banks to its customers are the part of total assets of the banks as these assets accrue income in the form of interest to the banks. Conversion of these assets in the NPA leads to the reductions in the profitability level. The calculation of capital adequacy ratio also got disturbed, as the cost of capital goes up due to rise in NPAs. Thus, the level of NPAs also affect the stability of banks.
- **Impact on Other Borrowers:** The rise in NPAs not only affect the concerned bank and customers but also the other borrowers. The level of NPAs affect the lending ability of banks on one hand and the potential genuine borrowers on the other side. Banks redistribute the losses to the other borrowers by imposing higher interest rates and thus tries to compensate the coast of increasing NPAs.
- **Impact on Lending:** As banks lose their interest income due to defaulters, they become unwilling to lend to other genuine borrowers. Banks may be reluctant to give loans to a particular deficit sector, if the companies in this sector are suffering from losses and are not able to settle their dues in time.
- **Impact on Liquidity:** When banks redistribute the losses which arises due to NPAs to other genuine borrowers, it put extra burden on them and thus affect their profitability level. Also, the banks may have to face liquidity crisis due to rising NPAs, which in turn will affect the payments level of banks.



- **Stressed Assets:** The stressed assets of the banks consist of NPAs, restructured loans and written off loans. NPAs alone do not depict the story of bad asset quality of loans. Some loans are restructured by the banks thus provides an opportunity to the defaulters to make the repayment within stipulated extended time period. Further, the written off loans are considered to be non-collectable but the account do not closes as banks hope to recover it at a later date. The stressed assets are a powerful indicator and gives a clear picture of the health of the banks.

## MEASURES TO CURB NPA GROWTH

Non-Performing Assets are a gradual withdrawal and ultimate deprivation of existence of the banks. Banking sector needs to take vigorous steps in order to strengthen their internal control risk management system. Thorough analysis of creditworthiness of client, management, company etc., has to be done by banks before loan approval. There is a need for proper credit monitoring system which can enhance the ability of banks to monitor the productive use of loans provided.

For growth, all business needs productive and profitable investments. Financial institutions like banks plays a significant role in gather savings and channelize it into investments. The rising level of NPAs in banks adversely affect their ability of making profitable investments. It also affects the overall investment position of the banking sector. Therefore, at present Government and financial regulators are required to take serious steps not only to deal with the effects of NPAs but also to find out the reasons behind increasing NPAs.

As the banking sector is already facing the adverse impacts of NPAs, therefore, it is of utmost importance that NPA resolution should take place timely in a systematic manner. The policies formulated by financial regulators must address two crucial aspects; First, how to reduce the level of NPAs and its prevention in the near future and second, how to cope up with the existing aggregated NPAs. Below are mentioned some of the critical steps needs to be taken by the banking segment, which will help banks to curtail the rising NPAs to a great extent:

- **Special bank for Handling NPAs:** The financial regulators is required to establish some specific bank where NPAs of the public sector banks will be transferred. The loans provided to young entrepreneurs has to be scrutinized effectively. If the performance of these entrepreneurs deteriorated due to economic fluctuations, then banking sector can support them by making suitable adjustments. It will help them to revive their business and also the level of NPAs will decline.
- **Bring back the confidence:** The tremendous rise in NPAs have shaken the confidence of bank officials, which needs to be restored. The policy measures should provide amenity to them, which in turn will help them to take rational and industrially viable decisions. A Special Performance Vehicle Committee (SPVC) needs to be established, which will work as a guide to take commercial decisions.

- **Therapeutic Measures by RBI:** RBI is required to take curative measures against defaulters. The regulators can circulate the names of defaulters through newspapers and media, which will spread awareness about the defaulters and will safeguard the other financial institutions. It can follow the '4R' strategy which includes Recognition of NPAs, Resolution of Bad Loans, Recapitalization of Bank Loans and Reforms in the banking sector. It should try to recover the dues with the help of Lok Adalats and Debt Recovery Tribunals.
- **Risk Management:** There is a need for robust and sensitive credit risk management system in the banks. It is imperative for the success of banking segment in the long run. Every bank needs to have its own risk strategy which will help to scrutinize the credit granting activities and will lay a system for post-loan monitoring.
- **Natural Collapse:** If natural calamities such as earthquakes, floods, draughts etc., are the reasons behind the delinquencies of the borrowers then banks needs to be little supportive towards them. The banks can restructure their loans terms and conditions and can help out borrowers to overcome their genuine difficulties.
- **Consistent Follow-Up:** The loans provided by the banks should be used for the specific purpose for which they have been drawn. There should not be any diversion of funds. Banks can ensure this by regular visits and check out to the sites. Banks are required to investigate the units periodically.
- **Accountability and Responsibility of RBI:** RBI being the financial regulator is required to play a vigorous role. It should exercise effective credit appraisal and monitoring system. Amendments can be initiated in the RBI Act by government to strengthen RBI and to make it more powerful. Banks are enforced to have a robust and vigilant loan recovery methods. Also, the government must stop playing the game of "wait and watch" and should empower banks to take rigid steps to control NPAs.
- **Identifying Genuine Borrowers:** Banks have to be very vigilant in identifying the genuine borrowers. Though it is a very challenging job for the bank officials but the frontline officers can play a paramount role in this. An objective assessment with regard to promoter's sincerity and capability is of utmost importance and based on this assessment the creditworthiness of the borrowers can be decided.
- **Competence of Management:** Banks have to be very competent and require the involvement of whole organization. There should be frequent discussions within the bank staff and branches. The suggestions of the staff involved in credit monitoring and recovery should be considered for recovery of dues from borrowers. Banks should cooperate and assist the entrepreneurs in setting up their business but along with it they should keep a track of their funds also.

- **Insolvency and bankruptcy Bill Code 2015:** In 2015, the GOI introduced the IBC for strengthening the ability of banking system to recover the maximum amount in a time bound manner through India's insolvency regime. It is a time bound process to resolve insolvency which can be initiated by either creditor or debtor. It also has an overriding effect on other laws.

With the possible solutions mentioned above, there is a possibility that the complications of rising NPAs in Indian banking sector can be monitored and controlled effectively. Thus, it will provide an opportunity for the banks to show and highlight their clean and fruitful balance sheet.

## CONCLUSION

A strong robust financial system is a foundation pillar and necessity for a flourishing economy and specifically industrial sector. For a developing economy, the existence of an effective, vibrant, innovative and high – tech banking system is must. According to experts, In India, there is much more to be done to make financial inclusion a success and many challenges still exist in this effort. Though financial inclusion is high on the agenda of the Indian government, still it looks like a distant dream which the government wants to achieve. So, it is the right time to take a comprehensive relook into the existing policies and structures of banking system and to incorporate the innovative and advanced methods which can ensure the inclusive growth of the economy.

To achieve this twin goal of financial inclusion and inclusive growth, one of the biggest obstacle is rising level of NPAs which is hampering the efficiency of all the banks. Banks are required to carry on thorough credit analysis while lending finance for infrastructure projects and for other long term projects. IBC is an attempt by the government in this direction which tries to cover and sort out all the issues relating to NPAs. IBC plays a significant role in identifying the possible NPAs and thereby in reducing the level of NPAs in banks. Though the success of IBC would be known in course of time.

The performance of public sector banks was not too good with respect to NPAs. It was expected that NPAs would be settle down by March 2017, but the picture was a little different. The analysis of NPAs for the financial year 2017-18 depicts a gloomy and deteriorated impression. Instead of decline, there was increase in the NPAs of public sector banks by 7% in 2017-18 as against 3% in 2014-15. To tide over the strenuous financial circumstances, now the companies are shifting towards corporate debt restructuring.

Though the government and financial regulators are trying to overcome the situation, but it is not that much simple. There is not a universal solution which can be applicable to all types of banks and for all times. The Indian banking system has undergone a significant transformation and still many reforms are taking place. It is opting and embracing the international best practices with a conception to heighten the banking system. At the global level, new provisions and prudential norms have been introduced. It in turn further persuading the Indian banking system to improves its productivity and to trim down the level of NPAs. NPAs work as a hindrance and big obstacle not only for the banks but also for the economy. Therefore, RBI and the government are required to be very vigilant and take appropriate actions to curb NPAs. It will ensure the sound financial health of our financial system, which is must.

## REFERENCES

- Chatterjee, C. and Mukherjee, J. and Das, R. (2012): “Management of nonperforming assets -a current scenario”, International Journal of Social Science & Interdisciplinary Research, Vol.1 Issue 11.
- Garg, Ankit (2016): “A Study on Management of Non-Performing Assets In Context Of Indian Banking System”, International Journal of Engineering, Technologies and Management Research, Vol.3 (Iss.11): November, 2016]
- H. S., S. (2013):” A study on causes and remedies for non-performing assets in Indian public sector banks with special reference to agricultural development branch, state bank of Mysore”, International Journal of Business and Management Invention, Volume 2 Issue 1, PP.26-38.
- Karunakar, M. (2008):” Are non - Performing Assets Gloomy or Greedy from Indian Perspective”, Research Journal of Social Sciences, 3: 4-12, 2008.
- Kumar, P. T. (2013): “A Comparative study of NPA of Old Private Sector Banks and Foreign Banks”, Research Journal of Management Sciences, Vol. 2(7), 38-40, 2013.
- Press Information Bureau Government of India Ministry of Finance, 15-March-2017
- Rai, K. (2012): “Study on performance of NPAs of Indian commercial banks”, Asian Journal of Research in Banking and finance, Vol. 2, Issue 12.
- Selvarajan, B. & Vadivalagan, G. (2013):” A Study on Management of Non-Performing Assets in Priority Sector reference to Indian Bank and Public Sector Banks, Vol. 13 Issue 1, pp: 101-112.
- Singh, J. (2013): “Recovery of NPAs in Indian commercial banks.”, International Journal of Transformation in Business, Vol. 2, Issue 3, 2013.
- Singh, Vivek Rajbahadur (2016): “A Study of Non-Performing Assets of Commercial Banks and it’s recovery in India”, Annual Research Journal of SCMS, Pune Vol. 4, March 2016.
- Viswanathan, P.K. and Muthuraj, M. (2019):” Factors Leading to Non - Performing Assets (NPAs): An Empirical Study”, Volume 13, Issue 1, January 2019.
- Yadav, Sushma (2014): “NPAs: Rising Trends and Preventive Measures in Indian Banking Sectors.”, International journal of advance research in computer science and management studies, Vol. 2, Issue 1, 2014.

## WEBSITES

<https://www.rbi.org.in/scripts/SearchResults.aspx>  
[http://164.100.47.134/lsscommittee/Finance/16\\_Finance\\_27.pdf](http://164.100.47.134/lsscommittee/Finance/16_Finance_27.pdf)  
<https://www.dnaindia.com/business/report-what-is-npa-crisis>  
  
<https://www.businessstandard.com>  
<https://www.economictimes.com>

## **Aatmanirbhar Bharat and EOD: their interconnection and impact in India**

Namita Padhy\*

### **ABSTRACT**

*The paper offers an insight into Prime Minister's Aatmanirbhar Bharat vision and its inter-connection with Ease of Doing Business in India. Launched in the year 2014, the phrase Aatmanirbhar Bharat has since been used in multiple references. Defence manufacturing, Vocal for Local, self-reliance, Digital Bharat, Make in India, national security, to name a few, are some key concepts covered under the purview of the blanket mission "Aatmanirbharta". As per World Bank's Ease of Doing Business Ranking 2020, India stood at 63rd position, being one of the top 10 improvers, for the 3rd time in a row, with an improvement of 67 ranks in 3 years. A key gradient which can be associated to this remarkable success is the slew of measures launched under the Aatmanirbhar Bharat initiative, which aim to encourage and attract global investments, relax the complexities of procedures involved and make the country an attractive hub worldwide for doing business. The purpose of the findings is to thoroughly examine the two concepts- Aatmanirbhar Bharat and Ease of Doing Business, their linkage, how the two complement one another, the major challenges faced in attaining the desired positions and countering any and every kind of dependencies overseas*

### **INTRODUCTION**

The ambition of India's Prime Minister Narendra Modi, Aatmanirbhar Bharat, which translates to "independent India," is to make India "a greater and more significant element of the global economy." This will be achieved by acting naturally supportive and self-creatively and seeking out arrangements that are strong, serious, and effective. A new phase of growth has been stimulated by the need to remind the people of the country of their potential. The country has started along the path to independence in several sectors. Just as we could not get a freedom in one day, similarly we cannot become self-reliant overnight. India has a population of 1.38 cr, the population is our strength. If we decide not to buy foreign goods, the economy of our country will boost.

Even though India is vast country with an enormous economic potential, overcoming the diverse and complicated corporate landscape can be an intimidating task. Doing business in India is no cup of tea. For instance, in order to open a restaurant in India, one needs to obtain 11 different licenses. These include the FSSAI licence, liquor license, eating house license and many more.

\*Assistant Professor, Department of Commerce, Keshav Mahavidyalaya, DU

The number of restrictions in place being this high, act as firm barriers for any domestic or international organisation to run its operations in India. This in turn increases our dependencies on Chinese and other foreign products. One of the main contributors to the dependence on other countries has been imports. Countries like China have been taking advantage of other nations' reliance on imports. According to data from 2020, China accounted for 18% of all imports into India while making for 9% of all exports from India. Prior to Pandemic, Indian economy was majorly dependent on Chinese imports. For instance, China exports were 70% of active pharmaceutical ingredients, 10-30% of the raw materials and base components for automobiles, 80% of solar panel requirement sectors to India. Moreover, many MSMEs were dependent on Chinese imports. And consequently, post pandemic, due to closure of borders, bans on travel and lockdowns, India had suffered undulation effect on Global trade flows. And due to this interdependence nature, COVID pandemic severely impacted Indian socio-economic sphere. Resultantly, urgent need to diversify supply chain and generate alternative source of supply chain in instant period was felt by the Indian government.

On 12<sup>th</sup> May 2020, Prime Minister Narendra Modi announced a flag for Aatma Nirbhar Bharat Abhiyan or a Self-Reliant India and marked five pillars of AatmaNirbhar Bharat-

- Economy: An economy that brings Quantum Jump rather than Incremental change.
- Infrastructure: Represents the modern India.
- System: Technology-driven systems fulfill the needs of the 21st century.
- Demography: Vibrant Demography of the largest democracy.
- Demand-Full utilisation of the power of demand & supply

The 4 Es of Education, Employability, Employment and Entrepreneurship are also vital in building an Aatmanirbhar Bharat.

Economy, Infrastructure, System, Vibrant Demography and Demand. Now the aim of the government is promote local manufacturing, local markets and local supply chains enhance ease of doing business, attract FDI investments and entrust MSMEs by boosting their liquidity support and improve the policies for Make in India. The Aatmnirbhar Bharat programme has encouraged competitiveness of the Indian industry through a plethora of schemes and initiatives. Through the arduous effort of The Government of India, the country has flourished in translating the resources of the package into results that have made business easier in the country. Following the launch of the regulatory reforms, India ranked 63rd in doing business in 2020 which was a 79 position jump from 2014 (World Bank Report).

India has altered its aim to become self-reliant in order to reduce the supply risk and inter-dependence. This might be achieved by transforming the workforce's skills and talents in India into a driving force for national economic growth.

India's rank in the Ease of Doing Business index back in 2014 was 142<sup>nd</sup> among 189 countries, owing to which the government has since reduced more than 25,000 compliances and hence improved consistently to 63<sup>rd</sup> position in 2020 and 37<sup>th</sup> rank in 2022 (out of 63 nation list) The Aatmanirbhar Bharat Abhiyan was initiated on similar grounds, aiming for self-reliance and digitalisation of India, making it 'Aatmanirbhar'. Augmenting self-reliance in the economy, simplifying complex and futile processes, reducing trivial compliances for business expansion and improvement of business environment are key areas that would be covered.

### **OBJECTIVES OF REASERCH PAPER –**

- To understand the impact of Prime Minister's Aatmanirbhar scheme on easing the procedures involved in setting up a business in India.
- To delve into the parameters of the World Bank's Ease of Doing Business Index and understanding their contents.
- To walk through the developments done and achievements secured by Central Government while implementing the Aatmanirbhar Bharat Abhiyan.
- To pertain the co-efficient of success of doing business in the country and to analyze the impact of dynamic policy reforms undertaken at the ground level.

### **Impact of Aatmanirbhar Bharat on Indian economy**

The purpose of Aatmanirbhar Bharat to make India “self-reliant” and self-sufficient is in its continual process, replacing most of our imports by increasing our capacity to manufacture them locally. Local manufacturers, supply chain and diversified products and services are the key factors for making “Aatmanirbhar Bharat mission” successful. However, this mission is not to isolate the nation from global platform and trade solely on local products. Rather to promote our local products worldwide. This impacted to bring to a situation that India is now manufacturing goods for both consumption and export which were imported before COVID. The biggest example is “Pharmaceutical companies”. India has contributed 60% to the worldwide vaccine production during COVID pandemic. In March, 2020, India is witnessed for the capacity of producing 2 lakh PPE (Personal Protection Kit) on daily basis with a steady growth rate at present. Population from rural area is also now enthusiast enough to open their own business due to the implementation of “Gobar Bank” concept. This not only support rural population to meet their basic needs but also make them creatively independent.

#### Sectors to benefit from Atma Nirbhar Bharat Abhiyan

S.No.	Sector	Percentage	Allocation
1	FMCG	16.20%	81000
2	Healthcare	13.50%	67500
3	technology	12.20%	61000
4	Financial	11.70%	58500
5	Communication	8.50%	42500
6	Services	7.30%	36500
7	Chemicals	7.20%	36000
8	Energy	6.50%	32500
9	Cons Durable	5.70%	28500
10	Construction	4.70%	23500
11	Automobile	4%	20000
12	Metals	1.50%	7500
13	Others	1%	5000
	<b>Total</b>	<b>100%</b>	<b>500000</b>

*Source: CapitalVia Global Research Limited*

#### 1. Micro, Small and Medium Enterprises-

The scheme's major focus was on the MSMEs sector and its development as there are about 67 million MSMEs operating in the non-agricultural sector in India, and provide sustenance to a large proportion of the population.

The government will offer Rs 3 lakh crore as a collateral-free or unsecured loan to MSMEs with an annual turnover of Rs 100 crore or an outstanding loan of Rs 25 crore. The loan tenure will have a tenure of four years with a moratorium period of 12 months. Additionally, Rs 20,000 crore loans will be provided to stressed MSMEs.

The government has given a new definition for the MSMEs where it had done away with the distinction between manufacturing and service MSMEs and also increased the limit for investment in these units.

The change in definition will allow these units to expand and at the same time avail the benefits of MSME classification.

It has also disallowed tenders from foreign companies up to Rs 200 crore mainly to protect these small units from unfair competition.

The boost to the MSME sector will consequently benefit a lot more industries, especially the automobile sector as most of the auto companies are MSMEs. It will help resume business, strengthen the supply chain, and will also help reduce dependence on other countries.



## **2. Power Distribution Companies-**

The government will provide a Rs 90,000 crore bailout to cash-starved discoms and independent power producers.

Discoms functioning in Union Territories is expected to be privatized, so as to strengthen as well as bring efficiency to the entire sector. Thus, provide stability to the stressed power sector.

## **3. Agriculture and allied sectors-**

The fiscal assistance will focus on improving the farm gate infrastructure like warehousing, cold chains, post-harvest management infrastructure, dairy infrastructure along with investment in cattle feed, beekeeping, and herbal and medicinal plants.

National Bank for Agriculture & Rural Development (NABARD) will provide a financing facility for funding agriculture infrastructure projects at the farm gate and for cluster formation across all levels.

Thus, addressing fund gaps in the supply chain and also making value-added local products reach global markets.

It will launch Pradhan Mantri Matsya Sampada Yojana for the development of marine and inland fisheries.

This will help to fill in the gaps in the value chain and will also lead to an additional fish production of 70 lakh tons in the next five years and provide employment to about 55 lakh people.

It will also focus on formulating agricultural marketing reforms like barrier-free inter-state trading, the choice to sell produce at attractive prices, and also provide an e-trading platform for agricultural produce.

## **4. Civil Aviation-**

The government will ease the restriction placed on the utilization of the Indian Air Space for commercial flights (currently 60% of domestic airspace is available), and will help these companies save about Rs 1000 in terms of operational costs.

## **5. Coal Sector and Minerals-**

The government will be ending the monopoly of Coal India Limited (CIL), introducing commercial mining of coal. The government is focusing to reduce the country's dependence on coal imports and be fully self-reliant in coal production.

## **6. NBFCs/HFCS-**

The government has come up with a special liquidity scheme worth Rs 30,000 for investing in investment-grade debt papers of NBFCs, HFCs, and MFIs. The scheme will be fully guaranteed by the government and will be especially beneficial for the housing sector.

A partial credit guarantee scheme will also be allocated for NBFCs where the first 20% of the loss will be borne by the government.

Thus, providing the required liquidity support essential for the smooth functioning of the sector.

## **7. Real Estate-**

The government has extended the CLSS (Credit Linked Subsidy Scheme) for middle-income households to March 2021. This will lead to investments of Rs 70,000 crore in the housing sector, thus boosting the already ailing real estate sector.

The states and regulatory authorities have also been advised to extend the registration and completion date of real estate projects under RERA to de-stress developers and ensure the timely completion of projects.

The boost in the real estate sector will lead to a surge in demand for related sectors like steel, cement, transport and also lead to employment generation.

## **Atma Nirbhar Bharat Abhiyan Shortcomings:**

The package, however, failed to boost confidence and bring optimism among the corporates, as the focus of the package is more on indirect benefits than on direct benefits. The government should have designed packages that would provide cash support rather than relying more on loans.

The collateral-free or unsecured loans announced for MSMEs may lead to higher default by the companies and lead to higher NPAs

The banking sectors, especially the PSU, are already reeling under the bad loan issues and with unsecured loans, may see further deterioration in their asset quality.

Higher default rates will also increase the cost burden of the government, as it may have to provide a cushion to the ailing banks.

The total government expenditure that will be incurred through the package is only 1% of India's GDP growth rate. As such these measures will not be adequate enough to boost the demand sentiment in the economy.

## **EODB**

In 2016 India was at the 130th rank in the World Bank's Ease of Doing Business Index. Within a few years, India has climbed up to the 63rd place which indicates an improvement of 67 ranks as a result of the improvement made by the Government in its policies launched under the Make in India campaign that targets creating more than 100 million jobs by the year 2022, making India a manufacturing hub and raising the contribution of manufacturing sector's share to GDP to 25%. The World Bank's Ease of Doing Business Project is the key driver of regulatory reforms. It ranks 190 economies on various parameters from cradle to grave of a business cycle on a set methodology which indicates how easy it is to do business in the country. These parameters are as under:

**STARTING A BUSINESS** The introduction of SPICe+ and AGILE PRO form by the Ministry of Corporate Affairs (MCA) saves the time and effort required for a nascent Company Incorporation.

1. Permanent Account Number (PAN), Tax Deduction & Collection Account Number (TAN), Director Identification Number (DIN) have now been merged into a single form (SPICe) for company incorporation.
2. Five-page form and other attachments for reserving the name of the Company with the Ministry of Corporate Affairs has been simplified into a simple web service with only three fields to be filled.
3. Registration under Employee State Insurance Corporation (ESIC) and Employee Provident Fund Organisation (EPFO) are available at Shram Suvidha portal as a common online service with no physical touch point.
4. No requirement of inspection for before registration under Shops & Establishment Act in Mumbai and Delhi.
5. Companies Act was amended to eliminate the requirement of a common company seal.

## **PAYING TAXES**

Reduction of corporate tax from 30% to 25% for mid-sized companies. Domestic companies can opt for concessional tax regime @ 22% (effective tax rate: 25.17% inclusive of surcharge and cess). Such a company cannot claim any income tax incentive or exemption. Such companies are not liable to pay the Minimum Alternate Tax (MAT). Robust IT infrastructure of online return filing for Indian taxpayers. The Goods and Service Tax came into effect on 01 July 2017. It subsumes eight taxes at the Central and nine taxes at the State level. The Employee State Insurance Corporation (ESIC) has developed a fully online module for electronic return filing with online payment. This has substantially reduced the time to prepare and file returns. With the introduction of the e-verification system, there remains no physical touchpoint for document submission to income tax authorities. Instead of filing 3 GST returns, the taxpayer has to now file only 2 returns.

## **RESOLVING INSOLVENCY**

1. The Insolvency and Bankruptcy Code of 2016 has introduced new dimensions in resolving insolvency in India. It is India's first comprehensive legislation on corporate insolvency.
2. Under Fast-track Corporate Insolvency Resolution Process (CIRP) for mid-sized companies, the process for insolvency shall be completed within 90 days with a maximum grace period of another 45 days.
- 3.

## **GETTING CREDIT**

1. Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) is a geographically unified electronic registry that provides for registration by asset type. Since 2017, CERSAI also provides search through debtor's name.
2. Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) (Central Registry) Rules, 2011 was amended to include additional types of charges, including a security interest in - immovable property by the mortgage, hypothecation of plant and machinery, stocks, debt including book debt or receivables, intangible assets, patent, copyright, trademark, under-construction building.
3. The definition of property, which now includes immovable as well as intangible, allows CERSAI to register these additional charges.

## **ENFORCING CONTRACTS**

Faster resolution of commercial disputes is pivotal to boosting investor confidence in the dispute resolution mechanism of the country. The adoption of technology for case management by lawyers and judicial officers is leading to speedier dispute resolution. e-filing of cases has been introduced in district courts of Delhi and Mumbai. eCourts Services Portal The app and portal offer the following case-related services for litigants and lawyers. To access the laws, regulations, and case law. To access the forms/documents to be submitted to the court. To receive the notifications on emails/SMS. To track the status of the case. To view and manage the case documents. To view court order decisions in a particular case.

## **CHALLENGES**

With this reform momentum in place, it becomes crucial to sustain the same by regularly monitoring and controlling the results. Another significant challenge for the GOI is to make sure that these reforms do not remain confined to the tier-1 cities, but reach the grass root level of the economy. Though a slew of procedures have been simplified, the labour laws still pose a threat, barring a 100% hassle free environment for setting up ventures in the country. In a nutshell, although the scheme has been immensely successful in achieving its target, few things still need to be taken care of, in this journey of self-reliance. With this dual strategy, India has the potential to attract more overseas investment and become the factory of the world. (Indian Express, 2022).

## RECOMMENDATIONS

**Build a Strategy for Future:** A long-term approach that considers regional supply chains and location decision-making is needed to succeed. The vision of 5-pillared growth to self-reliance, in the long run period, is impossible without being “sustainable” in approach. And this is possible only through balanced ecology.

**India should Become Increasingly Open to Free and Fair Trade:** India should attract investors due to its strengths rather than by using tariffs as a tool to push International business to invest and make in India.

**Focus on Developing and Supporting Innovators:** Focus on digital, creative and critical thinking skills for innovation and building problem solving skills. India should also develop an innovator -friendly intellectual property policy and enforcement regime.

Improving higher education system: focus on preparing learners into thinking, problem solving and decision-making individuals. Integrate professional practice with teaching learning process to enhance professional development.

**Job creators than job seekers:** enthusiast young people towards entrepreneurship from their school level by introducing “entrepreneurship” in their course curriculum.

**Digital and Data:** With digital and data services increasingly important in global trade, there is an opportunity for India to fully integrate with other major democratic markets.

**Economic blueprint:** an economic blueprint has to be constructed to address domestic growth for lucrative foreign investments.

**Systematic implementation of policies:** better use of automation and technology, the use of optimization, the use of better transportation, better customer service, sustainability, use of local manufacturing and better use of analytics will be the solution for the success of Aatmanirbhar Bharat.

## CONCLUSION

“Self-reliance has the ability to overcome any difficulty” The Atmanirbhar Bharat Program endeavors to achieve self-reliance in the country and its citizens through five pillars - economy, infrastructure, vibrant demography, system, and demand. As mentioned in earlier parts of the paper, the program has strived but posed cumbersome challenges as well. India being the largest democracy in the world is a tedious country to govern. With more people come more businesses around every corner, thus, the vision of making India self-reliant while astute is an onerous task. Through the onset and offset of the pandemic, we have seen how this program has taken shape, it has immensely helped a plethora of businesses and industries in the country by augmenting their progress and lucrativeness through its schemes. However, as stated in the challenges above, to be self-reliant we need to have businesses in the country that can actively replace Chinese products with our products, but, it has become unnecessarily arduous to obtain licenses for operating businesses. Despite the challenges, the program has vastly increased the number of businesses and tried to develop a paucity of Chinese products and applications in the country to a large extent.

Through the diligence of our workers and the State, our country is now ranked 63rd (a 79-position jump from 2014) in Doing Business 2020- World Bank Report. No path that is meant for the betterment of an entire nation would be an effortless and tranquil journey. With the collective hard work of the government and the relentless support of the merchants, traders, and customers the Atmanirbhar Bharat Program would slowly and surely fabricate results that would cement our place in the world as a country that is self-reliant and has massively increased its position in ease of doing business in the country.

## References

Dr. Ajay Massand, M.K. Lodi and Dr. Lubna Ambreen. "Atmanirbhar Bharat: Economic, Legal, and Social Aspects." International Journal of 11, no. 6 (2020): 1038-1046.

Kamat, Pradeep V. Kamat & Dr. Neela. "Education, Employability, Employment and Entrepreneurship in relation to Five Pillars of Atmanirbhar Bharat Post COVID – 19." FINS Journal of Diplomacy & Strategy, July 2020

AtmaNirbhar Bharat Abhiyan. <https://aatmanirbharbharat.mygov.in/> (accessed 04 22, 2021)

Modi, Dr. Brahmdeo. "AATMANIRBHAR BHARAT: OPPORTUNITIES AND CHALLENGES." International Journal of Advanced Research in Commerce, Management & Social Science (IJARCMSS) 3, no. 3 (2020): 18-21

Dr. Ranjith P.V., Dr. Ajay Massand. "Role Of Atmanirbhar Bharat In Revitalisation Of Supply Chain In India." Journal of Contemporary Issues in Business and Government 27, no. 1 (2021): 115-128.

<https://www.cii.in/sectors.aspx?enc=prvePUj2bdMtgTmvPwwisYH+5EnGjyGXO9hLECVtUNsbdaRaBjOEve9Dihc7P8Kx>

<https://dea.gov.in/sites/default/files/December%202020>

<http://164.100.24.220/loksabhaquestions/annex/174/AU1260>.

<https://pib.gov.in/PressReleasePage.aspx?PRID=1680343>

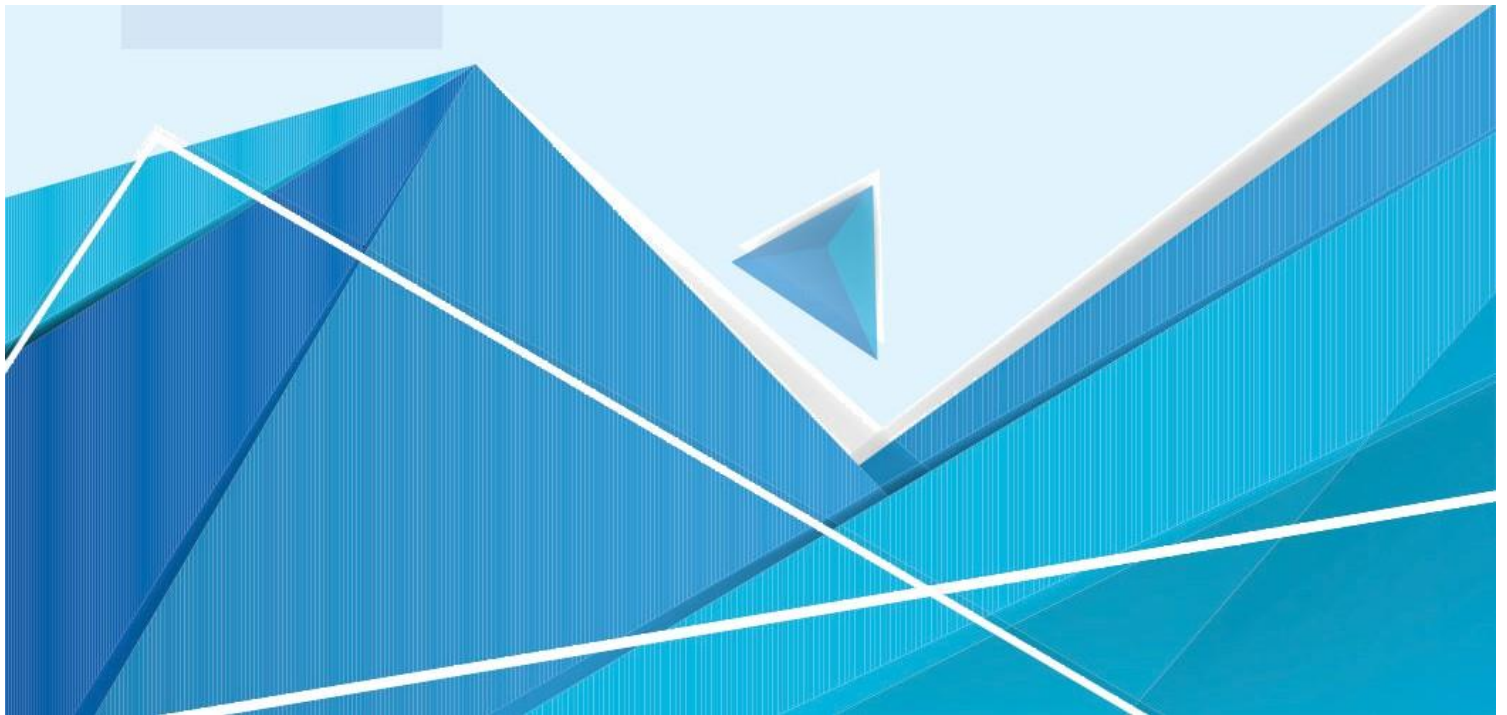
<http://10.21.202.209:8380/media/123513>

<https://static.pib.gov.in/WriteReadData/userfiles/MOF>

<https://www.thehindubusinessline.com/opinion/covid19-exposes-indian-industrys-supply-chain-vulnerabilities/article31224928>

Published by  
Dr. R.K. Chouhan  
Head, Department of  
Business Administration  
Jai Narain Vyas University, Jodhpur, Rajasthan-.342001

Website :  
[www.busadmjnvu.org](http://www.busadmjnvu.org)



---