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**Arising Trends in Student
Commitment in the Contemporary
World**

Mr. Vikram Sharma

**Global Trade of Coffee and its
Economic Effect in the Value Chain**

Mr. José G. Vargas-Hernández

**Indian Economy amidst the menace
of COVID-19**

Ms. Nivedita Agnihotri, Mr. Raghunath

**Role of Yoga Education in Human
Development**

Ms. Sarita, Ms. Richa

**The Changing Effect of Marketing:
Exploring the Social Media Effect on
Tourist**

Ms. Shruti Gulati

**Understanding Investor Behaviour
using Prospect Theory: An Indian
Perspective**

*Ms. Preksha Dassani, Prof. M. Sandhya
Sridevi*

**Recovery of Non-performing assets-
A challenge for Indian Financial
Institutions**

Ms. Rina Khanum, Dr. Sumathi.K



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From the Patron's Desk



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NDIM's Journal of Business and Management Research, **Anusandhan** is in its progressive stage but with the support of original and peer reviewed manuscripts sent by credible authors, Journal is committed to the sharing of beliefs and spreading of ideas and concepts of modern day with respect to business and management, social Issues and contemporary and related disciplines for stimulating academic fervor of the researchers.

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All the selected papers are checked on plagiarism software for originality and then peer reviewed by worthy reviewers.

Arising Trends in Student Commitment in the Contemporary World, paper contributed by Vikram Sharma investigate rising educational program patterns which have critical ramifications on how instructors should educate, what sort of educational plan and training system ought to be set up to connect with understudies so viable instructing and learning happen.

Paper titled Global trade of coffee and its economic effect in the value chain by José G. Vargas-Hernández addressed its influence and contribution to the world economy by analyzing the process from the coffee farmer to the industrialization, uncovering the industrial supply chain to the different distribution, channels that reach and delight the final consumer.

On contemporary note for Indian Economy amidst the menace of COVID-19 impacted sectors like Agriculture, MSMEs, Tourism, Banking, Pharmaceutical industry and Educational sector with some policy suggestions are addressed by By Nivedita Agnihotri, Raghunath.

Sarita and Richa focused on a training program that showed that yoga has a significant effect on various aspects of human development.

Suggested by Ms. Shruti, with cut throat competition from well-established travel firms to newer start-ups, marketing has become a vital component for survival, keeping consumers engaged is the best way to thrive.

The Changing Facets Of Marketing: Exploring The Social Media Effect On Tourists. Recovery of Non-performing assets- A challenge for Indian Financial Institutions by Rina Khanum and Jnanasahyadri and Dr. Sumathi K recommended the suggestions for the betterment of the banks in recovery of NPAs.

Understanding investor behaviour using prospect theory: an Indian perspective by Preksha Dassani and Prof. M. Sandhya Sridevi attempted to gain deeper insights into the complex investor behavior which forms an important aspect of behavioral finance.

Finally, I thank the contributors/Authors of papers for choosing Anusandhan for their publication NDIM's Journal of Business and Management Research, Vol. III, Issue I, February, 2021. Also invite manuscripts from potential authors to be published in upcoming issues of bi-annual journals .

Bindu
Mrs. Bindu Kumar
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Editorial Note



Dear Readers,

Research is an essential part of human life as it leads to solution of problems and lead to more evocative life. Journals are a way to present the work by esteemed researchers and academicians. In Business, research is a continuous process. In production, material, finance, product, selling and marketing, research has big scope. It is not wrong to say research is essential part of every business activity. Anusandhan the name itself means research. I feel very happy to be part of NDIM's Journal of Business and Management Research - Anusandhan. Exertions of the journal would be to add the value for life by publishing the research of eminent

researchers in the area of business, management and related topics which are necessary for the growth of education and human life.

I thank from my deep of heart to the chairperson, Ms. Bindu Kumar for providing me onus of the journal. Also thank to Dr. Niraj RBL, Dean-Academics, due to his efforts, we are able to publish the journal at time. I express my gratitude to authors for selecting the journal "**Anusandhan**" for their publication. Reviewers who have reviewed manuscripts and helped the authors to improve the manuscript for publication are also worthy for appreciating.

The journal is available on website and any person can view it open access. Readers of the journal are requested to send their comments, views, suggestions on editor@ndimdelhi.in. We are continuously trying to improve for the betterment. Authors are welcomed to send their research work also on same email ID.

Anusandhan will soon coming with Next issue in August 2021.



Dr. Madhu Arora
Editor



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Contents

S. No.	Title	Pg.No.
1.	Arising Trends in Student Commitment in the Contemporary World <i>Mr. Vikram Sharma</i>	01-05
2.	Global Trade of Coffee and its Economic Effect in the Value Chain <i>Mr. José G. Vargas-Hernández</i>	06-15
3.	Indian Economy amidst the menace of COVID-19 <i>Ms. Nivedita Agnihotri, Mr. Raghunath</i>	16-25
4.	Role of Yoga Education in Human Development <i>Ms. Sarita, Ms. Richa</i>	26-30
5.	The Changing Effect of Marketing: Exploring the Social Media Effect on Tourist <i>Ms. Shruti Gulati</i>	31-41
6.	Understanding Investor Behaviour using Prospect Theory: An Indian Perspective <i>Ms. Preksha Dassani, Prof. M. Sandhya Sridevi</i>	42-50
7.	Recovery of Non-performing assets- A challenge for Indian Financial Institutions <i>Ms. Rina Khanum, Dr. Sumathi.K</i>	51-59

Arising Trends in Student Commitment in the Contemporary World

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Abstract

Understudy commitment in advanced education is turning into a main concern however testing plan thing in the 21st century of higher instructive establishments. The computerized locals in our classes are not any more like understudies 20 years prior. While significant educational programs changes of this time center around giving understudies abilities of learning new and inventive aptitudes and information for powerful living in the 21st century of quick innovative upheaval, teachers are defied with the test of drawing in understudies for successful figuring out how to accomplish this objective. Scholastics and executives have started to handle and reevaluate of how to improve the commitment of understudies in this period of innovation where understudies are snared to sending and accepting messages, tweeting, goggling, visiting and doing numerous different things while address is going on. This circumstance is exposing instructors to new and various weights of how to keep students zeroed in on the home room exercises and remain associated with the talk. In this way, the 21st century educational program and educating requires a change in outlook in the brains of educational program engineers, educators and a move in the manners in which that guidance is conveyed to keep understudies drew in to advance students cooperation in the learning and instructing measures. Accordingly, this paper is to investigate rising educational program patterns which have critical ramifications on how instructors should educate, what sort of educational plan and training system ought to be set up to connect with understudies so viable instructing and learning happen.

Keywords: Contemporary, computerized local, understudy commitment, pattern.

Introduction

This paper centers on the understudy commitment procedures of the 21st century students. It will analyze how ICT use and understudy connectedness has carried difficulties to understudy commitment of the 21st century educating and learning and investigates the methods of improving the understudy commitment of the century's students. The essential goal of this examination was to recognize the arising patterns in understudy commitment and devise techniques to be utilized to upgrade the commitment of the advanced centuries. The analyst was propelled by the way that ICT use in the homeroom is forcing difficulties on understudy commitment explicitly in advanced education. There is an adjustment in patterns of understudy commitment. The principle purpose behind investigating regarding this

matter is the insufficiency of numerous examinations on the immediate and circuitous effects of ICT use in the homeroom the board in advanced education and the expanding changes in patterns of instructing and learning rehearses in the 21st century. The system utilized in this examination was auxiliary information investigation concerning current writing on arising patterns in ICT use and understudy commitment. In Implications for instructive practices are talked about towards the end.

Students Commitment

Commitment alludes to a complete association "being entirely included." "Commitment" is gotten from a French word engage, which, is utilized to depict an author or a craftsman's absolute good duty to human expressions . In this way,

commitment is interest that is "in excess of an activity." It is "a passionate connection and venture". Understudy commitment infers, or proposes, a power of their investment in the learning measures. Understudy commitment is a significant condition for the showing learning measure. Understudy commitment is the thing that drives them to progress. The fundamental and strict focal point of understudy commitment is to expand accomplishment, positive practices, and a feeling of having a place in understudies with the goal that they stay in school and get the greatest out of the study hall guidance. saw that commitment can be – scholastic, intellectual, scholarly, institutional, passionate, conduct, social, or mental. Understudy commitment in advanced education is turning into an expanding worry for establishments of higher learning . Exploration show that youngsters who are continuously surrounded by and interfaced continually with ICT build up an alternate way to deal with taking in and information the executives from understudies who have not had this chance (Pedro, as referred to in Law, Pelgrum, and Plomp, 2008). The understudies' utilization of ICT and their connectedness in the 21st century instructing and learning affects understudies' commitment in a manner that may not be controlled. Along these lines, it is essential to investigate different methodologies accessible for instructors to upgrade the commitment of the "new thousand year's students.

Use of ICT

(Parsons and Taylor 2011 and note that because of globalization and mechanical headway understudies have changed throughout the most recent twenty years; they seem to have "unique" requirements, objectives, and learning inclinations than understudies previously. The millennial students have experienced childhood in the innovation immersed climate with the online worlds, PCs, PCs, cell phones, and numerous other ICT items, making it vital for

instructors to know these realities and coordinate innovation to cook for the requirements of this advanced age. The 21st century study hall educating requires the information on the essentials of innovative activity, for example, the utilization of web, word processor, data set, bookkeeping page, and introduction programming. The instructing, learning, and educational program require the information on models of educating, the sustain and utilization of data preparing abilities, for example, issue based learning and constructivism . The globalized advanced period is forcing huge difficulties on educators to coordinate the arising web-based media to help learning Change is a fundamental piece of educational program elements and such changes should be read and overseen for a superior future . Instructing is the execution of the educational plan and in this manner, as educational plan changes, the educating likewise changes.

There is a developing acknowledgment that instruction and the educational program ought to plan understudies for work environment, citizenship and everyday living.

Consequently educating and learning measures are being centered around how to get ready understudies for getting the hang of, living and flourishing in the dynamic, jumbled, riotous data climate of these first many years of the 21st century just as how to get ready understudies for an evolving world.

This requires the need to underline for instructors to utilize incorporated educational plan, different learning draws near and include in groundbreaking educating to connect with understudies in the learning and showing measures. Because of a quickly changing innovative progression, understudies have changed throughout the most recent twenty years; and they seem to have "unique" requirements, objectives, and learning inclinations than understudies before. The 21st century understudies are occupied with

Face booking, sending and accepting messages, tweeting, googling, visiting and doing numerous different things while address is going on, and they appear to be withdrawn based on what is happening in the study hall. In this manner, "instructors must keep on trying to comprehend and apply explicit, very much considered, if not settled upon, procedures that help understudy commitment in learning both in and past the study hall".

Despite the fact that there is no single answer for connecting all understudies instructors require to have persuasive methodologies to improve understudy commitment. Building up a Curriculum that is significant and pertinent to the necessities and interests of understudies and instructing strategy that propels students to learn are the two significant parts of connecting with understudy . As indicated by there is an adjustment in patterns on the requirement for educators to utilize isolated educational plan, a few learning styles and take part in groundbreaking instructing that advances understudy commitment. To stay as a component of the worldwide change measure, it is significant for instructors to augment.

Arising Trends in ICT Use and Student Commitment

The arising patterns in educational program and showing call for new aptitudes, information and methods of figuring out how to plan understudies with capacities and abilities to address the arising patterns of a dubious, evolving world. There are many pattern changes in the field of educating and learning. Educators ought to be attentive of these pattern changes, for example, changes from scratch pad to notebooks, changes from chalkboard to whiteboard, from whiteboard to keen board, changes from work area to PC and from PC to palmtop, to wrist top. There are additionally pattern changes in instructive programming bundles. Early instructive programming bundles were primarily text based straightforward

programming applications, for example, word processors and information bases and utilized just basic designs. These days programming is significantly more refined , and there are numerous advanced apparatuses, for example, guide, innovation based instructional exercise, wise mentoring framework, WebQuest, mind device, perception devices, reproductions and liveliness, hypertext and hypermedia, and web conferencing that help learning . Existence may not permit the point by point conversation of these apparatuses, yet whenever incorporated into the study hall rehearses fittingly, these devices could advance understudy commitment in the instructing and learning measures.

In light of these arising patterns in ICT, there is a requirement for instructors to utilize incorporated educational plan, various training procedures to address the issues of various learning styles of the 21st century students and draw in them in groundbreaking educating and learning measures .As piece of the worldwide change measure, educators need to augment the usage of innovation by coordinating helpful learning and separated educational program techniques, and connecting them with the use of remote hand-held ICT gadgets. They ought to have the option to grasp modern innovation to offer different instructional encounters and the ability to introduce data in fluctuated structures that add to the understudies' commitment. Educators should show competency in recovering through straightforward word look. Their ability in imparting and sharing data worldwide with understudies through study hall workstations and region workers is as a component of the 21st century understudy commitment methodology . Exploration uncovers that adjusting the academic experience of students to address their issues and interests is significant ;.

Techniques of Student Engagement in the 21st Century

takes note of that the arising patterns in educational program and educating to connect with understudies expects educators to comprehend educational plan hypothesis and cycles, give separated variety; encourage student focused guidance; use different instructional procedures, create worldwide residents and long lasting students, and incorporate innovation in building up the educational program and conveying guidance .

Subsequently, we should better comprehend these understudies to decide how to best draw in them in learning. Contriving methodologies to draw in the understudies isn't sufficient yet in addition instructors should know the changing patterns in the financial world, in the family gatherings, peer gathering, and in the more extensive worldwide market . Despite the fact that there could be numerous methodologies which could be utilized to improve understudy commitment, we center our conversation around two significant techniques: Integrating ICT uphold instructional materials in our educating and changing our educating strategy.

Incorporating ICT uphold instructional materials in our educating. As per , ICT offers an incredible asset for connecting with understudies in veritable encounters, generally expanding both their inspiration and their learning. Sensible instructional techniques can uphold the improvement of basic intuition abilities by giving occasions to understudies to take part in all encompassing, multifaceted, and animating exercises that advance student independence and dynamic learning.

Supporting understudy innovativeness with innovation coordination as innovation gives different encounters to learn in any event, when the genuine study hall guidance isn't occurring, understudies go to their group with a ton

of data. To connect each understudy, , it is significant that educators focus on the full of feeling needs and assorted psychological learning styles of individual understudies, and in this manner furnish them with some independence to investigate further in their learning.

Altering our showing system for innovation combination the 21st century educators are confronted with the test of drawing in understudies for their scholastic accomplishments , due to the changing learning styles of the 21st century students who are encircled by ICT instruments which give a great deal of road of learning as well as could be expected disturbances of considerations in the study hall . To beat these difficulties, educators need to go past customary practices and incorporation of innovation in their homeroom guidance. To do this, This specialist recommend the ASSURE Model , the bit by bit cycle of making exercises that viably coordinate the utilization of innovation and media to connect with understudies and improve guidance. Guarantee Model is a six phase measure; Analyzing students, Stating guidelines and targets, Selecting methodologies innovation, media, and materials, Utilize innovation, media, and materials, Require student support, Evaluate and update.

The AASURE Model instructional plan adequately coordinates ICT and media to draw in understudies in learning. The model was created by Heinich, Molenda, Russel, and Smaldino and coordinated utilizing Gagne's nine methodology of guidance . The ASSURE model improves an intentional glance at arising innovative patterns and understudy commitment. It mulls over that guidance won't be conveyed utilizing customary techniques for address/course reading as it were. It takes into consideration the chance of incorporating out-of-class assets and innovation. Instructional innovation is useful for planning exercises utilizing various types of media into the course materials. The

ASSURE model is a valuable arranging apparatus; it manages the teacher on the most proficient method to pick and utilize media and innovation in guidance to advance understudy commitment.

End and Recommendations

Customary showing procedures, for example, addressing, posing inquiries and furnishing responses may not prompt understudy commitment as they use to be before the introduction of ICT. Subsequently, this methodology should be supplanted by more inventive methodologies, for example, helpful learning, bunch work, and issue representing that evokes basic investigation. Instructors should make a change in perspective in their functions as information specialists to a learning facilitator since their ICT sagacious understudies have a ton to impart to one another and their educators. To draw in understudies, incorporation of ICT is anything but a decision however required in the 21st century instructing and learning measure. Along these lines, educators need to build up a culture of ICT use. Familiarizing ourselves with the arising advances to help guidance, and refreshing our insight and abilities to utilize them may advance the commitment of the 21st century associated students.

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Global Trade of Coffee and its Economic Effect in the Value Chain

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ABSTRACT

The purpose of this work is to analyze the economic-cultural effects that globalization has in each link of the value chain in the commercialization of coffee in the world. Starting from the fact that coffee is the second most consumed beverage globally after water, in the same way it is the second most exported product after oil, the economic influence that has due to the fact that it is a grain that can grow simultaneously in the tropical belt around the world and because the coffee farmer tends to be poor. Research paper address its influence and contribution to the world economy by analyzing the process from the coffee farmer to the industrialization, uncovering the industrial supply chain to the different distribution channels that reach and delight the final consumer.

KEY WORDS: Value chain, commercialization, culture, globalization, chopped coffee segment. JEL D46, F10, M21

INTRODUCTION

The consumption of coffee in a globalized way is through history, an important engine of development for the world economy and of the producing countries. Where in each era, region and with each generation the way and the costumes of preparing it evolves. Causing economic impact and cultural changes, the commercialization of this grain, developed a value chain where a series of businesses are activated around the grain, and starts with the coffee farmer, the merchant who sells to the industrialists, so that these in turn distribute it around the world.

The phenomenon of globalization plus technological development in equipment for the preparation of coffee is undoubtedly a determining factor that currently causes the increase in per capita consumption around the world. However, this increase in grain consumption is not reflected in the coffee farmer's economy, but in the large corporations that are left with the highest profit.

The average coffee farmer obtains a minimum amount that is estimated at \$ 300.00 USD per month, the transnational's and the rest of the value chain being the big winners, who keep the producers that give life to such an important industry in poverty (Lora, 2019).

OBJECTIVE

To point out and list the problems that cause an uneven distribution of wealth in the value chain generated by this industry, because it is very important for subsistence, based on the prices remaining stagnant for many years, as well as problems like plagues. To prevent the continuous switch of coffee regions around the world to other types of more profitable crops and to raise awareness to large corporations dedicated to the coffee trade, which requires a fair payment for their crops based on the final price of each cup, since it makes no sense that the increase in coffee consumption generates an increasingly deep wealth gap and poverty in the value chain that makes it possible for us to finally have a cup of coffee on the table.

BACKGROUND

The coffee trade represents an important source of income in the world economy and there is a value chain around this industry, made possible by the final consumer, who leaves a trail of benefits, but also damage because the income of the producer is way below the cost of production. Sometimes below the cost of production. Since its origin, in coffee growing areas that include the Tropic of Cancer to the Tropic of Capricorn around the world, this belt being the most climate-friendly for the development of the plant that gives the grain. This plant of the Rubiaceae families is a family of plants normally called the blonde, white gallium, or coffee family (Sanders and Motz, 2019).

These plants have a worldwide distribution; however, they are much better represented in terms of shapes and number of species in phytogeographical areas of the Neo-Tropic. The coffee plants are native to Abyssinia in Ethiopia and were discovered by a shepherd, legend has it that he discovered them because of his goats' strange behavior after having consumed the leaves and fruit that were similar to the cherries of a certain bush, the goats were jumping around very excited and full of energy. Seeing this, the shepherd consumed them and soon felt full of energy (Mehari, et al. 2016).

He decided to take them to the monastery and tell the Abbot the story, he put the branches and cherries in water but the result was a very bitter drink that he immediately threw into the fire. When the cherries fell on the fire, they began to boil, the green beans inside the cherries were roasted producing a delicious aroma that made the Abbot think about making a drink based on the roasted grain and that is how the coffee drink was born.

METHOD

This paper is methodologically based on documentary research using a theoretical procedure for its structure

and development, which allows us to address the issue in a structured way and carrying out its development with a qualitative scientific sense, basing it on mostly indirect sources of information, such as bibliographies, essays, journals and books.

BACKGROUND

According to the International Coffee Organization (ICO) in the global economy, it is estimated that coffee sales exceed 200,000 million dollars annually. Coffee is the second most commercialized product worldwide after oil and the second one most consumed after water, which would make us believe that coffee producers are in economic abundance enjoying a standard of living well above what they actually are today, the reality of coffee farmers is that they barely receive between 6 and 10% of the profit, which does not allow their families to even send their children to school in some cases, these being the link in the chain that remains submerged in poverty exploitation and underdevelopment with a profit of \$ 300 per month within the thriving business in this lucrative activity.

If we imagine this situation as a line where zero is the point of equilibrium, where you do not win or lose, but that their reality is always to be at a negative extreme point practically in misery, contrasting the situation, on the other end of the imaginary number line with the large multinational companies that their profit has no end, generates in this activity in the value chain a chasm between the actors on the one hand the coffee farmers with a minimum profit that barely allows them subsistence and on the other the multinationals the most economically benefitted because they are the ones that keep the biggest slice.

These companies, both US and European multinationals are the ones that generate the highest consumption. They get to sell a cup of coffee at 3 dollars, in Germany, New York and Paris, while the producer is paid at \$ 2.50 dollars on average per kilo

and the yield is 60/100 cups per kilo, that's where the huge difference is generated (Figueroa-Hernández, Pérez-Soto & Godínez-Montoya, 2019).

A long time ago farm products used to be commercialized directly from the farmers to the consumers, without intermediaries, which was an advantage for the costs to be accessible to the final consumer and when the product got to the market, it used to have a reasonable price, generating a profit for the farmer who was guaranteed a livelihood with access to different kinds of goods and services.

As time went by, merchants would impose an intermediation business, hoarding the production, finding here a business opportunity that had very little or no risk and taking over the production, focusing on warehousing, where the production could be stored, speculation starts and the supply and demand concepts control the prices on the market.

Gomez, (2019). Says that controlling the coffeeree market was not an easy task, due to the fluctuation in prices and the risks associated with production and transportation, in the 1870's the physical market of coffeeree collapses in on itself giving laying the foundations that have been historically damaging the producer because in that same year in the City of New York 112 merchants gathered and created the New Yorkcoffeeree bag with the objective of protecting each other through the creation of a market where buyers, distributors, roasters and merchants were protected from price fluctuations, where they created "future contracts" which is an agreement, where the parties are obliged to buy or sell goods or securities, in this case, coffeeree on a certain date and with a previously established price (Gómez, 2019).

Adopting the strategy known as "risk transfer", which consists of foreign creditors who reside in a country experiencing an inability to pay due to

lack of money. In the same way they agreed on the development of standards of the types of coffeeree that would be commercialized, setting prices according to supply and demand. This is how the coffeeree economy is born as a commodity traded in the stock market.

Speculation price of coffeeree comes from futures contracts on the value that will be determining it, by factors such as calculating dates that countries will release the product to the market and determine the possible price that will have coffeeree then.

In New York, when this coffeestock was created in order to give security to investors and attract money to the market, it ends up distributing the benefits more unfairly in the coffee economy, because the speculators in the economy of coffee are the ones who earn the most without having the grain physically. Speculation is precisely where they are willing to take risks high in exchange for an attractive future profit, shedding contracts before the expiration date is met.

This way, they gamble for a huge profit margin without coffee even having passed through their hands. The benefit that these speculators keep, is the first moment in which small producers have been losing money unfairly until today, given that when international production is high, prices plummet, this uncertainty over the years has caused many coffee farmers to change to other crops, risking the income of hundreds of thousands of families that continue betting on the crop even though pests also limit their yield.

We can see that the wealth generated by coffee and its profit in the stock market only benefits a few investors, speculators who play buying and selling while they make a profit on any purchase or sale movement without adding any value to the product. On the contrary, the producer has a production cost of \$ 1.10 USD per pound, losing \$ 0.18 USD since its origin, since the New York Stock Exchange is trading at \$ 1.02 USD, from

this perspective we cannot talk about fair trade in coffee.

The costs of production in the labor force in the farms worked by the same family members, must be applied to the final cost of the product so as to measure the situation of economic delay of the producing families and this must reflect in the cost of the grain, being necessary to calculate and apply the costs of the hours of work used in the farms by the family, to obtain the real cost of production of the grain.

The traditional consumer of coffee hardly wonders where coffee comes from, but today in the face of globalization and the grain trade is no exception, today they have focused on knowing its origin, so the American Starbucks since Year of 1971 to date has been the pioneer in the classification of types of grain, roast and origin.

Until then they had high-quality roasted coffee beans and spices emulating European coffee shops. When he joined the sales team in 1984. Howard Schütz as director of operations, they only had 4 stores and on one of his trips around the world he visited Italy, arriving in the city of Milan where he would change his luck by living and discovering an experience of a relationship between coffee retailers in stores with customers, a tradition for coffee known as espresso, convincing members to return to serve latte coffee in 1984.

This was one of the factors that gave it a differentiation and a competitive advantage compared to their rivals, who were first in the American Union, allowing its expansion all over the continent and subsequently the rest of the world. Table 1 has the world's main coffee producers, according to information from 2018.

Table 1: The world's main coffee producers.

1.- Brazil	6.- Etiópia
2.- Vietnam	7.- India
3.- Colombia	8.- Uganda
4.- Honduras	9.- México
5.- Honduras	10.- Perú

Source: Gómez, 2019.

Figure 1 shows a world map of the most important coffee producers (Gómez, 2019).

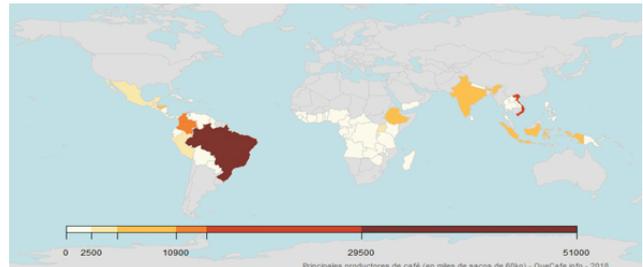


Figure 1: Biggest producers of coffee worldwide.

Source: Gómez, 2019.

Figure 2 shows the per capita consumption of coffee in the first world in the year 2017.

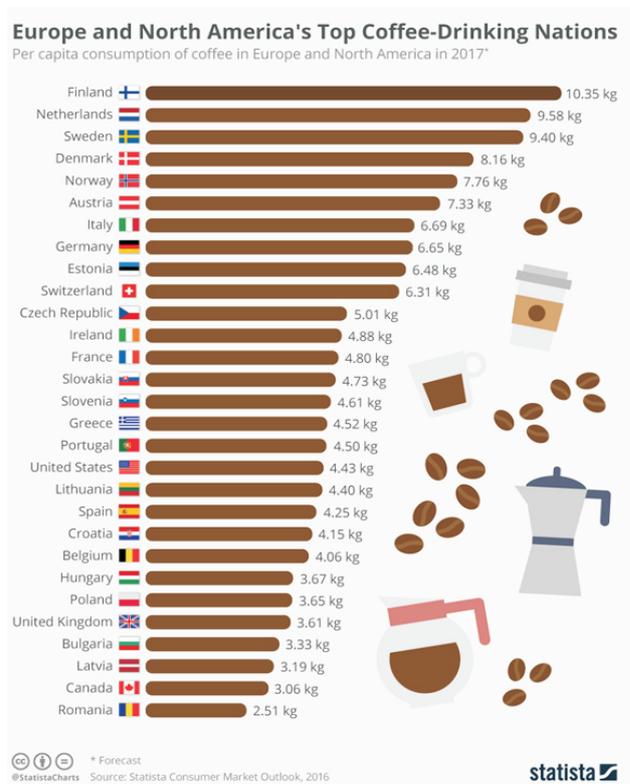


Figure 2: Biggest consumers of coffee worldwide.

Source: Statista Consumer Market Outlook, 2016.

At this point it is essential to clarify where the profits obtained from the coffee economy will end, if only 6 to 10% of the field remains with the farmers, we are clear that a pound of good quality, roasted and ground Colombian coffee costs an average of \$ 15 USD per pound and out of that, only \$ 0.92 USD goes to the farmer, the rest goes to the large multinationals.

So far we have focused on what happens in the global economy between the producing countries and the main consuming countries and a small historical review of one of the world's leading coffee brands, but let's see what happens in Mexico where consumption has had a sustained growth over the last two decades, the economic behavior of the coffee trade is interesting, given that internal consumption and its per capita rise, isn't very different from what is happening all over the world, given that there is an existing value chain where the coffee farmer is in poverty.

It should be noted that the culture of consumption has had a change and has caused an evolution in the consumer, where paradigms of yesteryear have been broken, that consumption occurred at home, so much so that the sayings like when they invited you to have some coffee, the answer was "no, I'm not an old man", or when they tried to introduce Frappe coffee machines to the local market, that the client answered "you are crazy, who is going to drink iced coffee?" well, this is how the new way of drinking coffee is propelling innovative technology, a determining factor that invites to consume.

Another factor is the development of coffee-based products such as Frapuchino, hot cappuccino, American coffee on the rocks, among others, changing habits and trends. And so, supply of coffee in different roasts, origin and preparations to go, open a distribution segment that generates growth on bars and coffeehouse's that we will identify from now on as the cupped coffee segment.

In Mexico, there are several national brands among the best known are the Poblana, The Italian Coffee, Punta del Cielo Coffees from Mexico City, the Sonoran Caffenio (formerly known as Café Combate) who bet on the diversification of the sale of coffee in different concepts the markets traditionally exploited through the history of consumption of coffee as restaurants, grocery, convenience stores, etc., where it was creating an environment that transformed habits, creating a culture from which thoughts and changes emanated, and they were adopted for the big companies.

Oxo commercial chain, seeing the opportunity and making its slogan effective 'Always ready, always there', implemented a coffee bar in its fast food area in alliance with the Sonoran coffee of the Pacific, who at that time was known for its commercial brand in the north of the country as Café Combate, which was a regional brand covering the states of Sinaloa, Sonora, Chihuahua, Baja California and Baja California Sur, making this alliance at one of its worst moments since its foundation in Chihuahua, in the year 1923. Today Caffeine is an important company in the FEMSA group.

The success of this alliance since 2000 has been practically a benchmark where a different history begins at the national level in the per capita increase in coffee consumption, because Oxo stores currently cover approximately 18,000 stores in the whole country, putting a glass or a thermos of coffee in the hand of the consumer managing to increase consumption creating a need.

In the case of the consumption of coffee in Sinaloa historically there were two companies that disputed the market for green bean coffee and coffee roasted with sugar, being the Café El Marino Company located in the city of Mazatlán, Sinaloa and Café del Pacífico, from Sonora. They competed through marketing their brands, making their

sales strategies with promotions and giveaways to stay in the market, in the same way by relying on the tasting of their products within the self-service stores with the support of a sales promoter, who would offer a cup of coffee to taste its flavor and practically convinced the customer to take the bottle of soluble or roasted coffee.

There is currently a problem with theft of ideas, brands and intellectual property. Café el Marino was born in a rural community called El Verde, located a few kilometers from the city of Mazatlán, Sinaloa and its main product was green coffee in the presentation of 250gr. Which was known at that time in the small shops as green coffee, to roast it in a traditional way at home in a burner to later add sugar. In those years, the sonoran company Café Combate wasn't yet in the sinaloan market, which also produced and marketed green coffee in the 250 gr presentation; the fact is that upon entering the sinaloan market and realizing that coffee in that presentation is known as green, referencing the origin of the rural community from which the Café El Marino came. Café Combate registered the green trademark, thus remaining with the name original name of the Café El Marino Company, where there is no record of this action for being a painful and shameful affront which is commented on in the field as urban legend.

It is such the case as theft of ideas and names between the businesses in order to obtain monetary gain at the cost of the lack of ethics in a globalized business world, where there is no such concept. It is really important to mention that in Sinaloa, particularly in the north of the state in the city of Los Mochis, there have been for several years, three companies dedicated to roasting, development of formulas, packaging and marketing made from coffee, who seek to position themselves in the regional market and are working hard on their strategic planning to enter the national and international market in the future.

These coffee companies are “La sobredosis”, which is owned by Pedro Soberness, “Piano Negro”, commanded by Bernardo Balderrama, and a family business called “Kaféetane”, whose name is of Yore me mayo origin and means “I am coffee”, directed by Edmundo Valle. These three companies have a great challenge to get involved in the value chain, first at a national and then to internationalize.

The fact is commercialization of coffee is evolving in consumption, which has developed a culture where the consumer dares to look for the origins of the grain and is willing to pay a greater amount for the final product, this opens a new segment that can be referred to as “cupped coffee segment”. This term has been used internally by the Café del Pacifica Company known today as Caffeine, where they don't really pay for the coffee itself, but for the concept that breeds status and a sense of belonging, a new segment that is different to the traditionally known segments of the industry and the entire value chain.

Today the consumer dares to break paradigms and sayings where they leave home with their mug or thermos in their hand, and they fill them at a bar or vending coffee to go, at Oxo or Caffeine, among other businesses. These businesses have established their market since they opened their doors, revolutionizing sales through points of distribution of prepared coffee, earning this segment in the dynamic coffee industry. A market with a sustained development, whose value is still incalculable, highly attractive, which is why it is appropriate to add it to the graph of traditional segments of roasted, ground and soluble coffee. Chart 2 shows the three most important segments for the sale of coffee.

Table 2: The three segments for coffee and its participation in Mexico

Soluble coffee	Retail, sales of coffee to the public for home consumption in supermarkets and stores.	Participation in the Mexican market. 54.2%
Ground coffee	Food service. Sales to businesses, such as coffeeshops, restaurants, bars, etc.	40.5%
Ruastecoffee	Institutional. Sales of coffee to formal institutions, including hotels, offices, public and private organizations, etc.	5.3%

Source: Own elaboration with data from Gómez 2019.

The segment of cupped coffee already exists in the consumer market for coffee in different forms; it just has not been detailed in scope and dimension. Its characteristics must include the millennial generation that has been its engine of development, who in the search for identity and as in all the generations that have passed, have left their mark on history causing a change of habits in consumption and culture, marking this step and leaving its seal. It should be noted that INEGI does not have this segment of coffee in a specific line; it has it added in a generic section where there are furs, coffee shops and ice cream shops in a group.

We argue that it should have its own special place because of the economy it generates and what it represents for both the internal and the exports market, and for the generation of foreign revenue. The economic and cultural impact globally is considerable, because the annual value for 2017 was 200,000 million dollars worldwide and in Mexico it is no exception, given that the market value for coffee was 10,000 million pesos in the same year, with a 20 to 25% annual growth.

In summary, while the coffee farmers in the field all over the world are characterized by a low price on their yield, in a locked world on their crops, there is a globalized world, paralleled in which the invisible hand of markets and big capital operate a supply and demand law, manipulated so that the gap between poverty and wealth remains abysmal,

where profit predominates, and the lack of awareness profiting with the farmer's need and poverty. It is incredible that almost 200 years after the coffee stock was created in New York, the scope of its empire and its impact continue to prevail in the world, with the same practices seeking profit at the expense of the coffee farmer's misery.

It is important to mention that coffee entered the international movement known as fair trade, a movement that was created in the 40's-50's in the United States and from there the idea was shared to different countries of the world such as the Netherlands and then Germany, Switzerland, Austria, France, Sweden, Great Britain and Belgium. This movement fights for the justice of the marketing of products made under fair conditions. Fair trade denounces the outrages, which originate poverty and inequality where political opinions come in, which also seeks an alternative trading system.

Fair trade looks for the rights of the peoples to be protected and that they are part of the economic activity, guaranteeing, among other things, fair treatment, respect for human rights and the environment. In the fair-trade network in the world there are more than 2000 organizations in Africa, Asia and Latin America which contain producers and working people, agreeing on prices and seeking counseling to improve their marketing existing in the world more than 4000 stores specializing in fair trade.

However, in the field of coffee, fair trade does not conform this scheme even when the grain is within the organization, due to the economic interests that it represents for transnational corporations which speculate on production, prediction, commercialization and the final price paid to the coffee farmer.

The figure 3 shows the value chain of the green coffee bean.

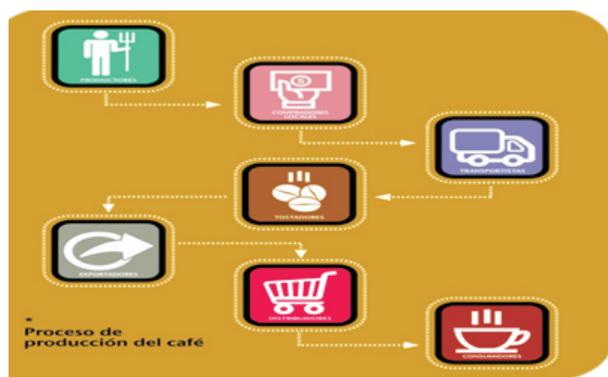


Figure 3: Green coffee bean value chain within the producing country

Source: Gómez, 2019

The coffee value chain starts from the coffee field with the cherry harvest, where the green coffee beans are obtained, this is the beginning with the producer, then it passes to the buyers, carriers, distributors, roasters, exporters, arriving to the industrialist who subjects it to different processes for different presentations and markets, which leads us to this study, that tries to open up a panorama that sensitizes the position of the farmer from the field to the final consumer, generating an industry and an economy, which affects and benefits people inside and outside of the business.

In some countries like Mexico coffee industry provides sufficient foreign exchange to support the economy and has become important generator of revenue to the national economy after oil, money sent by workers abroad and tourism. Therefore, it is important in many countries of the world, which generate foreign exchange and economic support in countries and regions that this industry predominates such as in Vietnam, Colombia, and Brazil among other grain producing nations.

This work has the purpose of exposing the importance of coffee consumption in the global economy and pointing out who makes each sip possible, through the different presentations of the type beverages made with coffee, it is clear that in order for global trade of grain

happens, many strategic alliances need to happen between governments, industries and producers. The millennial generation has been the fundamental engine because of its high purchasing power, and it has revitalized the industry and new concepts have been created by companies dedicated to the retail of prepared coffee (Gapper, 2018).

It is worth mentioning that over time the old alliances last and are valid, as is the case with the coffee stock in New York that almost 200 years after its foundation still handles the threads of power to define the price of grain worldwide, that from there with speculation the coffee farmer loses money generating a gap of inequality in obtaining profit. Figure 4 shows the value chain outside of the country of origin, explaining that out of 15 dollars spent on coffee, only 92 cents go to the original farmer and most of the rest stays with the big companies and retailers.

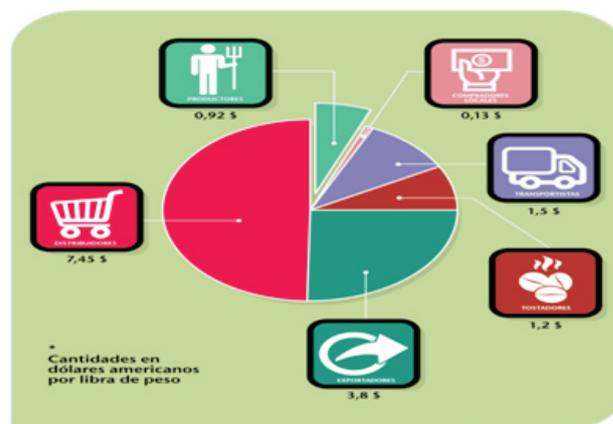


Figure 4: The value chain of coffee outside the country of origin

Source: Gómez, 2019

CONCLUSION

Along this paper we have exposed the economic and cultural effects of the coffee trade for its study and analysis, due to the fact that globalization and trade of products such as coffee, in this case, which causes social, economic and political situations with both positive and negative results, depending on the approach used.

Coffees is the second most consumed beverage in the world after water, and it generates a percentage of GDP globally generating jobs throughout the value chain and in Mexico is no exception since the market value is 10,000,000 million pesos annually.

The change in habits generated by the consumption of coffee is an effect that is due to several factors, in which the millennial generation participates, these being the ones that currently have the most purchasing power and the multinationals that bet on infrastructure investment through the creation of new concepts adapting them to the search for a sense of belonging of said generation in a globalized way.

The coffee trade represents an important source of income in the world economy and there is a value chain developed around this industry. The coffee trade makes the world smaller because it makes it possible to have access to all the grains of each of the coffee regions from the geographical point where we find everything thanks to the existing value chain. And this is currently happening since the consumer is specializing in the origin of the product, the same supply is being made by experts since they have entered the grain research, in the history of the chain that is a frequent customer, every day it is more common to meet consumers who question the quality of what they buy because, as usual, consumers are interested in reading what they consume.

The per capita consumption in Mexico is currently 1.3 kg of coffee where a very promising path is seen in the growth of this market because the largest consumer in the world is Finland with almost 12 kilos per person in that country. This is why a promising future is seen with the growth of coffee consumption at levels never seen before in a globalized way, so that the world coffee trade will continue to be a source of foreign revenue for the countries that produce the grain.

In the case of Mexico, the growth in domestic consumption which has increased from .300 gr. to 1.3 kg Per capita is seen as an opportunity as consumption grows every year generating jobs at the points of sale of the coffee chains that sell it through the segment of cupped coffee, which are the Oxocoffee bar, Caffeine, coffee Punta del Cielo, The Italian Coffees, and a number of local companies such as Black Piano and Kaféetane.

In Mexico, INEGI does not yet consider to the economic dimension that this industry represents and what it contributes to the GDP since they only focus on the field, in the primary activity and the importance of the internal market of the final consumer, in which currently through the segment of cupped coffee is where a gradual increase in per capita coffee, is detected. At this time is vitally important that INEGI will give coffee market the status in all its dimensions, in traditional and emerging markets such as retail stores, and business concepts that offer prepared coffee to take away and classify it in such a way that apart from the roasted, ground and soluble coffee segment, it includes the cupped coffee segment since it is the engine that makes growth of consumption in the population possible. (Gómez-Posada, 2019).

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Indian Economy Amidst the Menace of COVID-19

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Abstract

COVID-19 is an infectious disease caused by a newly discovered virus corona. The first time when World Health Organisation (WHO) came to recognize this deadly virus was the year of 2019. Therefore, it was named COVID-19 (Corona Virus Disease-2019). Most of people infected with the COVID-19 have mild to moderate respiratory symptoms, which can be treated without any special treatment. Due to its contagious and fast spreading nature, WHO has declared COVID-19 a global epidemic. The virus is spreading rapidly with countless active transmission centers working across the world. The disease can consistently affect a large proportion of healthy people especially those in contact with infected people. Consequently, to contain this contagious disease and break the chain, lockdowns and curfews were introduced by different countries in their respective territories. Various norms such as to keep a reasonable social distance among individuals and wear masks to cover faces were strictly introduced to contain the spread of virus. Therefore, lockdown has affected economic activities all across the world and life of the public has come to a halt. Shops, factories, multinational companies, construction sites, transportations, schools, colleges, universities etc., have remained shutting for almost six months. Even after relaxing lockdown norms, these businesses are striving to get that momentum they used to have before lockdown. Every sector of the economy, which contributes to Gross Domestic Product, has suffered a huge loss due to the lockdown. The present paper will focus on Indian economy in the times of COVID-19. COVID-19 has inflicted drastic losses on the Indian economy as well. It is a well known fact that even before the inception of corona virus; Indian economy was going through tough times. The quarterly based growth rate estimates of Indian economy were not satisfactory. But amid the corona virus induced lockdown, Indian economy has contracted by 23.9 percent in the first quarter of financial year 2021 and further forecasts are also alarming. Therefore, COVID-19 has ruthlessly damaged the Indian economy, which was already trying to recover from the losses ushered by Demonetization and Goods and Services Tax. The present study will be based on secondary data collected from various sources such as books, magazines, journals and newspapers. A detailed analysis will be prepared to measure the impact of COVID-19 on Indian economy. Impact of COVID-19 on various sectors, such as Agriculture, MSMEs, Tourism, Banking, Pharmaceutical industry and Educational sector, would be analyzed thoroughly. Further, some policy suggestions will be discussed which might be helpful to revive ailing economy.

Keywords: epidemic, contagious, transmission, inception

Introduction

COVID-19 is an infectious disease caused by a newly discovered virus Corona. Most people infected with the COVID-19 have mild to moderate respiratory symptoms. These minor symptoms just need an ordinary. Due to its contagious and fast spreading nature, COVID-19 was declared a global

epidemic by the world health organization (WHO). Virus is spreading rapidly with countless active transmission centers working across the world. The disease is very contagious and it consistently affects a large section of the society. This created turmoil at global level affecting almost every economy in the world.

In the same way, the COVID-19 has ushered giant losses on the Indian Economy. Studies carried out by various organizations and researchers to predict the impact of COVID-19 on economic health of the country in the near future, are still in a preliminary and diffusion stage. Both health and wealth are important pillars of the economy and steps are being taken to revive the sinking economy. Several schemes and concessions have been launched to support Indian economy by government in the times of COVID-19.

An another report entitled 'COVID-19 and the world of work: Impact and Policy Responses' by International Labor Organization (ILO), has explained that the crisis has already transformed into an economic and labor market shock, impacting not only supply (production of goods and services) but also demand (consumption and investment). International Monetary Fund's (IMF) chief said that, 'World is faced with an extraordinary uncertainty about the depth and duration of this crisis, and it was the worst economic fallout since the Great Depression'. The IMF estimated the external financing needs for emerging markets and developing economies in trillions of dollars. India too is groaning under the yoke of the epidemic and as per news reports in Economic Times published on 23rd March, 2020, the economists are pegging the cost of the COVID-19 induced lockdown at US\$120 billion or 4 per cent of the GDP (The Economist, 2020).

This COVID-19 pandemic affected all the three sectors of the economy except primary sector that could do well in the first quarter of financial year 2021. These sectors are primary, secondary and tertiary sectors. Primary sector includes agriculture and allied services, secondary sector includes industries and manufacturing and service sector contains of services such as banking and telecom etc. The foremost impact of the COVID-19 was on investment and output. Therefore, the shutdown of other

two sectors rendered people jobless and idle. Primary sector was exempted from lockdown as crops were sown before the inception of COVID-19 and farmers were given some time to harvest their standing crops. The utmost impact was ushered on manufacturing and the service sectors. Among them hospitality, tour and travels, healthcare, banking, hotels, real estate, education, IT sector, recreation, media, factories and industries have faced closure for several months. In the present study, impacts on some of the affected sectors have been analyzed. While, lockdown and social distancing resulted in productivity loss on the one hand, they caused sharp decline in demand for goods and services by the consumers in the market on the other. Thus, leading to a collapse of economic activities. However, lockdown and social distancing are the only most-effective tools available to prevent the spread of COVID-19. At present, flattening the caseload curve is critical for economy at large, but it comes with an economic cost.

Research Methodology

The present study is based on secondary data collected from various sources such as books, magazines, journals, newspapers. A detailed analysis has been prepared to measure the impact of COVID-19 on Indian economy. Further, some policy suggestions are discussed which might be helpful to revive ailing economy. The results of study are presented through figures, tables, pie charts etc.

Objectives of the Study

The aim of the study is to focus on the effects of COVID-19 on Indian economy as well as various sectors of the Indian economy. The sectorial analysis helped to compare previous results with the current situation in the country. The main objectives of the study are as follows:

- 1.To analyses and measure overall impact of COVID-19 on Indian Economy.
- 2.To study sector wise impact of COVID-19 on Indian economy.
- 3.To suggest policy suggestions to revive ailing economy.

4.Literature Review

Ozili P. and Thankom A. (2020) had highlighted the spillovers of COVID-19 on the global economy. The paper tries to highlight the impact of COVID-19 on different sectors of economy like travel industry, hospitality industry, sports industry, oil price war among countries, import dependent countries, financial sector, health sector, education sector, event industry and entertainment industry. It has also discussed some fast policy responses introduced by policy makers in various countries to avoid the harsh impact of disease spreading virus across the globe. The paper emphasizes the recession faced by most countries and the tradeoff between saving lives and saving the economy encountered by almost all the countries. It also concludes that apart from all the challenges, it has made a major move for all the countries to improvise their health sector and has led to a transition phase in the economy in terms of online education, transportation systems, health and hygiene and even an opportunity to fix both economic and financial system with great stimulus packages.

Dev, S.M., & Sengupta R. (2020) analyzed the impact of COVID-19 on the Indian Economy. It was studied that the COVID-19 has posed an unprecedented challenge for India. Given the large size of the population, the precarious situation of the economy, especially of the financial sector in the pre-COVID-19 period, and the economy's dependence on informal labor, lockdowns and other social distancing measures are turning out to be hugely disruptive. The central and state governments have recognized the challenge and have responded but this response should be just the

beginning.

Gupta, P.K., Bhaskar,P., Maheshwari,S. (2020) examined that India has performed very well in tackling such emergency of public health. The government of India has taken all necessary steps to ensure that we are prepared well to face the challenge and threat posed by the growing pandemic of COVID-19. The implementation of lockdown, restrictions on socialization, travel restrictions, flight cancellation, halting of train and bus services, visa cancellations, and cancellation of trains are some of the important initiatives taken by Indian government, which are appreciated everywhere. The government provides every citizen the right to obtain accurate information and is constantly updating and publishing the data related to COVID-19. Further, this data is available to every citizen free of cost through various social media platforms and government sites.

Kumar, S.M. et al. analyzed the socio-economic impact of COVID-19 in the context of India. No doubt, COVID-19 certainly has a negative impact on health care system but also on the internet of things (IoT) market. To overcome these issues IoT devices and sensors can be used to track and monitor the movement of the people so that necessary actions can be taken to prevent the spread of COVID-19. Mobile devices can be used for contact tracing of the affected person by analyzing the geomap of the travel history. This will prevent the spread and reset the economy to the normal condition. A few reviews, approaches, and guidelines are provided in this article along these lines. Moreover, insights about the effects of the pandemic on various sectors such as agriculture, medical industry, finance, information technology, manufacturing and many others are provided. These insights may support strategic decision making and policy framing activities for the top level management in private and government sectors

In an study Jaffrlot,C. (2020) discussed the downswing in Indian economy due to COVID-19. The economic slowdown that hit the country in 2017-19 divided this rate by almost two – as the growth rate for the fiscal year 2019-2020 was estimated only 4.2 percent according to the Indian government, after a steady decline, month after month (the growth rate of the last quarter, from January to March 2020, was only 3.1 percent). Such decline that came as a surprise deserves analysis, going beyond explanations focused on the artificial inflation of Indian performance by the authorities. During the study it was noticed that India's debt ratio is not yet alarming and its dependence vis-à-vis bilateral donors may be alleviated by the international aid it is already receiving from the World Bank (\$2 bn) and the Asian Development Bank (\$1.5 bn). India may, indeed, accept foreign help again. However, donors and multilateral institutions are not in a position to provide India with the huge amounts that India needs to restart the economy – which are in dozens of billion dollars. That is why the government is focusing on another strategy to get funds as it is trying to attract foreign investors.

Chaudhary,M., Sodani,P.R. and Das, S. (2020) focused on assessing the impact of COVID-19 on the sectors such as, aviation, tourism, retail, capital markets, MSMEs, and oil. As International and internal mobility was restricted, and the revenues generated by travel and tourism, which contributes 9.2 percent to the GDP, will take a major toll on the GDP growth rate. Aviation revenues will come down due to the effect of COVID-19 on aviation sector. Oil has plummeted to 18-year low of \$ 22 per barrel in March, and Foreign Portfolio Investors (FPIs) have withdrawn huge amounts from India, about USD 571.4 million. While lower oil prices will shrink the current account deficit, reverse capital flows will expand it. Rupee is continuously depreciating. MSMEs will undergo a severe cash crunch. The crisis witnessed a horrifying mass exodus of such floating population of migrants on

foot, amidst countrywide lockdown. Their worries primarily were loss of job, daily ration, and absence of a social security net. India must rethink on her development paradigm and make it more inclusive. COVID-19 has also provided some unique opportunities to India. There is an opportunity to participate in global supply chains as multinational companies are losing trust in China. Therefore, India should incentivize these companies to invest in India. Some of the reforms such as labor and administrative reforms regarding foreign investment are needed to make “Make in India” successful.

Impact of COVID-19 on Indian Economy
The economic impact of COVID-19 has been very destructive. Not even a single sector could escape from ill effects inflicted by COVID-19. Only agriculture sector was resistant to this disease as it recorded 3.4 percent growth in the first quarter of financial year of 2021. Economies of about 100 plus countries were mercilessly ruined by corona virus ensued lockdown. Out of these ruined economies, some of them are even looking for monetary help from International Monetary Fund (IMF). Businesses across the world involving manufacturing, hospitality, entertainment, aviation, transportation, construction, real estate etc., have experienced large losses due to closure. Various sport events such as Indian Premier League (IPL) and Olympics are postponed. Schools, colleges, and universities are facing a closure to observe precautions. The virus has also disrupted the functioning of various online giants such as Amazon, Flipkart, and Myntra. Countries like United States of America (USA), Italy and Spain are suffering the most since their death toll has risen rapidly.

There is a huge shift in the world economic market and share market has witnessed crashes regularly. The Fear of COVID-19 has compelled people to stay indoors. The Organization for Economic Co-operation and Development (OECD) has cut down its estimates of global

growth to 2.4 percent from 2.9 percent, and warned that it could even fall below 1.5 percent

India faces a huge decline in government revenues and growth of the income for at least two quarters as the COVID-19 has constraints on economic activity of the country as a whole. A fall in investor sentiments impacts privatization plans, government and private industries. The lockdown in India will have a considerable impact on every sector, mainly on consumption, which contributes significantly to Gross Domestic Product.

India's 45 percent electronic imports are coming from China. It is observed that around one-third of machinery and almost two-fifths of organic chemicals that India purchases are coming from China. For automotive parts and fertilizers, China's share in India's import is more than 25 percent. Around 65 to 70 percent of active pharmaceutical ingredients and around 90 percent of certain mobile phones imported from China by India.

Disruptions in Supply Chain and Global Trade

COVID-19 has disrupted global supply chains everywhere. There are restrictions on imports and exports due to lockdown ensued by corona. This is generating spillover effects on different levels of supply networks. Global trade in 2020 will fall due to decrease in Gross Domestic Product of every economy of the world. Consequently, this will be harmful for both export dependent and import dependent countries. As corona induced barriers are working as constraints in global trade so, it will adversely affect not only those countries which are strong exporters (no output for their local companies), but also those that depend on imports (lack of raw materials). The World Trade Organization (WTO) expects the global trade to fall up to 32 percent this year due to COVID-19 induced lockdown.

Figure 1. Comparison of health care facilities

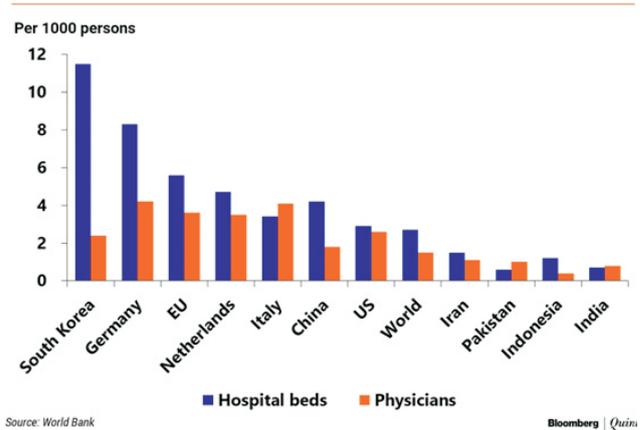
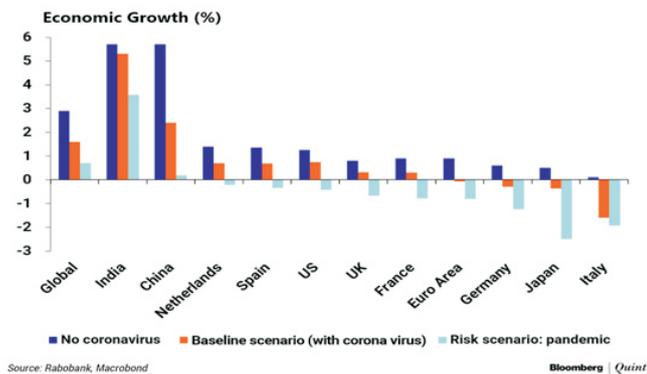


Figure-1 shows that health facilities such as hospitals and other health care centers are scanty in India as compared to other countries of world. The average number of hospital beds and doctors per 1,000 Indians are 0.7 and 0.8 respectively as compared to 5.6 and 3.6 in the EU. In comparison to other countries of the world India's healthcare infrastructure is not so well equipped to tackle such disease, which is becoming a headache for countries like United States of America.

Due to India's poor health facilities and constraints imposed by governments on imports Indian economy can suffer a lot. Therefore, we can conclude that corona virus in India can spread rapidly due to lack of resources which are helpful in containing the spread of virus. It is obvious that Indian economy will reel under deficit as its expenditures will rise. On the other hand, revenue sources of the central as well as state governments are blocked. So, such twin effect will be a major challenge for Indian economy. Results are on the forefront; growth rate estimates for first and second quarter of the financial year 2021 are recorded at -24 percent and -7.6 percent respectively.

Figure 2. Global Economic Impact of COVID-19.



In figure 2, China, as the an epicenter of corona virus, is expected to face the most detrimental economic impact on its economy with slowing down to 2.4 percent in 2020, which is markedly lower than our pre-corona forecasts of 5.7 percent. For India, we expect growth of 5.3 percent in 2020, with COVID-19 shaving off 0.4ppts compared to the pre-corona situation (5.7 percent). Those effects are still limited; mainly because India only has limited ties with the Chinese economy (see Table 1). Therefore, the adverse effects generated by China are affecting India to a lesser extent than many other counties in Asia. For instance, Chinese tourism only constitutes 0.2 percent to India's GDP (compared to 5.9 percent in Thailand for instance).

COVID-19 has ushered a huge negative impact on the Indian economy. It affects the various sectors of the economy. The impacts of the COVID-19 on various sectors are discussed in detail below:

Agriculture Sector

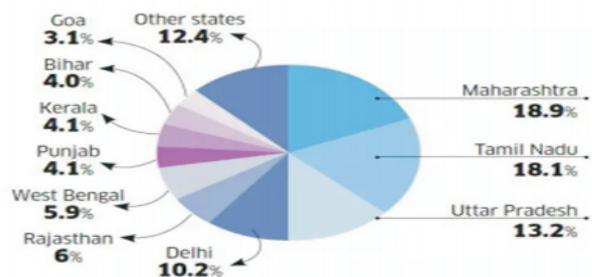
The COVID-19 affected all the three sectors of the economy except primary sector that recorded 3.4 percent growth in the first quarter of financial year 2021. These sectors are primary, secondary and tertiary sectors. Primary sector includes agriculture and allied services, secondary sector includes industries and service sector contains of services such as banking. Primary sector was exempted from lockdown as crops were sown before the inception of COVID-19 and farmers were given time to harvest their standing crops. Some of the obstacles faced by farmers in selling out their crops were

resolved later on. All sectors have recorded negative growth except agriculture sector.

Tourism Industry

The COVID-19 pandemic would adversely affect the Indian travel and tourism industry, especially with the government suspending all visas and interstate movement of people. COVID-19 is the one of the worst crises that has ever hit the Indian tourism industry by impacting all its geographical segments - inbound, outbound and domestic and almost all tourism verticals - leisure, adventure, heritage, cruise, corporate and other segments. The whole tourism value chain across hotels, travel agents, tour operations, destinations, restaurants, family entertainment venues and air, land and sea transportation have been stuck due to corona. India's travel and tourism industry is staring at job crisis. It is estimated; around 70 percent out of a total 5.5 crores workforce can be rendered jobless, which are around 3.8 crores of people involved in tourism. Some of tourism sectors have started to lay off their employees due to increases of corona virus.

Figure 3. Foreign Tourists in India



Source- Ministry of Tourism

The chart-3 shows the share of foreign tourists visiting India every year in different states of the country. Due to the global pandemic, the people visiting India would reduce in large numbers hitting the revenues of all the states showing a large downfall. Among all the states, Maharashtra being the most attractive place for foreign tourists will be the worst hit as Maharashtra has the largest number of COVID-19 cases and deaths

across the country. Unemployment in tourism sector would rise at extreme level due to closure of important visiting sites. Consequently, it would usher big losses on states, which are dependent on tourism industry.

Due to complete lockdown in the nation, there have been great losses to the Aviation and Railways sector. Railways and the civil aviation sector are facing massive losses due to the outbreak of novel COVID-19. Aviation is among the worst-affected sectors amidst the COVID-19 crisis. According to the International Air Transport Association, airlines globally can lose in passenger revenues of up to \$113 billion due to this crisis. Airfares have also come under pressure due to nearly 30 per cent drop in bookings to virus-affected destinations. As a result, airfares to such destinations have fallen by 20-30 percent. Domestic traffic growth is also affected negatively with domestic travelers postponing or cancelling their travel plans. Some companies have reported more than 30 percent drop in domestic travel this summer as compared of that of last year. Airfare in the popular domestic routes was reduced by 20-25 per cent and airfares are expected to remain subdued for the summer season as well.

Pharmaceutical Industry

The lockdown triggered by [COVID-19](#) has been a cause of disruption in all sectors. [Pharma](#) sector was jolted too. In an interaction with ETHealthworld, Charu Sehgal, Partner and Leader, Life sciences and Healthcare, , discusses whether the pandemic has impacted the pharma sector and she share her views on vaccine development and management of disease outbreak.

The impact on the cash flows due to lockdown has compelled many of the companies in the pharma sector to impose a freeze on hiring process. Currently, no layoffs were take into consideration by pharmaceutical companies and decisions on increments

were yet to be finalized. Further decision on hiring people and decisions regarding salary and increments have been put on hold. However, unlike the other industries, the pharmaceutical industry is expected to see a positive impact, on an overall basis, on its growth in this year. The market expectations are on similar lines as indicated by the stock prices which for many pharma companies had risen by 20-30% in Apr'20 compared to the Q3FY20 period. The situation will vary with the portfolio and size of the companies.

Some very small companies may find themselves under stress and could become a source of the additional capacity that the larger players with deeper pockets are looking at. Some companies that are seeing increased demand for their portfolio and have also started incentivizing employees especially in the production function who are supporting plant operations during this Covid period.

Micro, Small and Medium Enterprises (MSME)

MSME sector in India is second largest employment generating sector after agriculture. It acts as a breeding ground for entrepreneurs and innovators with its considerable support in strengthening business ecosystem in India. The estimated number of MSMEs in India is 63 million and they employ 110 million individuals. Indian MSMEs produce more than 6,000 products for local as well for global consumption. According to DGCIS data, the value of MSME related products in India was estimated at \$147,390.08 million and its contribution was 48.56 percent of total export during 2017-18. MSMEs exposed to higher level of integration with having global supply chains are playing critical role in global trade. Data from 2019 shows that MSME sector was contributing 29 percent in overall GDP.

Survey reports have shown that disruptions caused by the COVID-19 have devastated MSMEs earnings by 20-

50 percent. The micro and small enterprises faced the maximum damage, mainly due to liquidity crunch prevailing in the economy. Enterprises engaged in the production of essential commodities were better off in terms of interrupted but predictable cash flows. Some enterprises innovated their ways by shifting focus from non-essential commodities to essential commodities. In the times of COVID-19, production of essential commodities such as hand sanitizer and toiletries, PPE kits, reusable masks has increased. MSMEs located in the remote areas have also faced lot of difficulties due to supply chains constraints, and intrastate and interstate constraints induced by lockdown provisions.

Educational Sector

Even education sector could not escape from the COVID-19 in India. It has generated many difficulties for both knowledge seekers and teachers. In the initial stages of COVID-19, educational institutions such as schools, colleges and universities were the first to be closed across the country. It was done to avoid mass gatherings and follow the guidelines of maintaining social distance among individuals. Keeping a reasonable physical distance among individuals is best way to contain the spread of COVID-19. The education sector has been deeply damaged by the disease due to student-teacher learning and classroom interactions coming to a halt. The government and educationists are adapting other ways to erode the impact of global pandemic. Students and teachers moving to new technology based on virtual learning and teaching. Virtual Classes, lectures, conferences and seminars are taking place with the various apps like Zoom, Google meet etc. the adaption of virtual learning is an effective way to get and share knowledge. But this approach has been exclusive in nature. It is a fact that influenced people can keep modern devices like android mobile phones, laptops and other tools, which can assist virtual learning. Students from weaker sections cannot afford these expensive devices to resume

their studies. Therefore, virtual learning is posing new challenges for teachers and students.

Banking Sector

The Indian economy was not working well even before the inception of COVID-19. COVID-19 has further exaggerated the problems of Indian economy that was already trying to recover from the impact of demonetization and goods and service tax. The report submitted to Reserve Bank of India submitted by the expert committee on a resolution framework for bank loans, headed by former ICICI Bank chief K.V. Klamath, highlighted the impact of COVID-19 clearly. The report noted that the pandemic “has affected the best of companies” and businesses that were otherwise viable before the inception of COVID-19. Experts believe that banks will have to more risk-averse to restructuring loans this time, having already suffered big losses in previous restructuring efforts with regard to bank loans.

At present, the Indian banking system consists of 12 public sector banks, 22 private sector banks, 44 foreign banks, 44 regional rural banks, 1,542 urban cooperative banks and 94,384 rural cooperative banks. Indian banking system is adequately capitalized and well-regulated to confront financial crisis in every corner of the world. It is a well-known fact Indian economy remained resistant to the global recession that erupted in 2009 due to its vast and robust banking system. But this time nature of the financial crisis is somewhat different from other financial crisis. Banks have started to fret about their capabilities and financial liabilities. RBI has already taken a series of actions against the prevailing disease. Central Bank has pegged its repo rate at lowest level to lend more and more to sinking companies to help them to survive in these tough times. Further, 23 Common steps have been embraced by RBI by establishing a central task force, curtailing travel, suspending large-scale gatherings, segregation teams, making

arrangements for telecommuting, and refreshing external-vendor-interaction policies. Among major challenges rising Non-Performing Assets is a cause of concern. NPAs are rising due to closure of large enterprises and factories to which banks had given loans. This has created twin balance sheet problem for banks. On the other hand, some of operations of commercial banks were halted such as closure of ATM points was one of them. It created liquidity crunch among people. Moreover banking system was declared a public utility to prevent further losses arising due to the protests of bankers.

Conclusion-

The present study infers that COVID-19 induced lockdown has devastated every sector of the Indian economy. No doubt, lockdown and curfews introduced by Indian government and state governments have been helpful in containing the spread of corona virus and it is responsibility of every elected government to take such steps to get rid from global level epidemic. But it could have been done in a more systematic and disciplined way. There were some sectors which could remain open even in the initial stage of COVID-19. These sectors could be exempted from lockdown on the conditions if their runners don't flout government introduced norms such as wearing face masks, using hand sanitizers and keeping a reasonable distance among their employees and among visitors. Further, it is the responsibility of every citizen to follow the norms introduced by government. Our people could have escaped from this deadly virus by just observing precautions prescribed by WHO which can contain the spread of corona virus. A reasonable physical distance among individual is another benchmark way to keep someone away from this virus. It seems virus is still spreading in some of cities such as in Delhi, Mumbai, and some of the districts in Haryana. Therefore, the past mistakes committed by government and public should not be repeated once again. We will have to more precautionous and alerted in the coming

future to get rid from this virus. It will be a bulwark against corona virus if we follow norms introduced by government and world health organization. We have still some time to keep our economy and ourselves safe from corona virus.

Policy suggestions-

It is our collective responsibility to fight against corona virus and keep our economy and ourselves safe from this deadly virus. Some of the policy suggestions are as follows;

1. The major impact of global epidemic has been on employment. People were kept away from workplaces and they remained jobless during this period. People were staying at home without any job. This unutilized manpower can be engaged in some productive activities if employees are assigned work online and if possible some of the manual jobs can be assigned to employees at their homes.
2. MGNREGA can be a bulwark against corona virus as people such as village head, some other members from gram panchayat and even people from Primary Health Centre of village could guide MGNREGA workers to have precautions at work sites.
3. Further, government should prepare itself to tackle such diseases in the future. Such huge number of migrant laborers could be given travel facilities. In such times people should be given some travel facilities and time to move to their native places.
4. More and more focus should be on vaccine development. Our country has lagged behind in case of research and development as compared to other countries. Therefore, incentives and funds should sanction to research projects involving vaccine development.
5. In case of the education sector, virtual learning is the best way to enhance and share knowledge. As findings inferred that virtual learning

has exclusive nature. So, devices such as smartphones and if possible laptops should provide to students coming from humble background.

6. Further, with regard to banking sector, People will continue to need essential banking services through these tough times. Banks should continue its branch and ATM operations with the appropriate safeguards, while encouraging widespread use of remote services. This approach will account for needs and preferences across all consumer segments, including the older people that are both more vulnerable to COVID-19 and less likely to adopt digital channels. Moreover, recapitalization of banks is an urgent requirement especially those banks which sinking due to rising non-performing assets with genuine reasons behind the non-repayment of loans.

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Role of Yoga Education in Human Development

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ABSTRACT

Present study aims at investigating the relationship between yoga and human development that would ensure whether yoga education should be incorporated in educational courses. The Study is experimental in nature which has been made through organizing a yoga training camp for 30 people and assessing its outcome by differential analysis. T-test has been used to study the relationship between yoga and various aspects of human development. Results of training program showed that yoga has significant effect on various aspects of human development. Thus, study recommends that yoga education should be given to people.

Key Words: Yoga, Human Development, Asanas, Pranayamas, Sheath, Training.

INTRODUCTION

We all strive for success which is the outcome of fine tuning of body, mind and soul. Success may be in terms of career, money, social status, political power, being a human and spirituality etc, which differs for person to person. But real success of a person lies in human development. Humanity is another name of truth, honesty, dignity which exhibits in our behavior. Non humanity is caused by lack of harmony (uniformity) between body (behavior) and mind (thinking). When a person is about to act upon something, soul always shouts its righteous or wrongness and wrongness is generally veiled by a person using brain (mind) to bring the outcome of act in his/her favor. Generally diversity is found among righteous (voice of soul), greed (manipulations made by mind), and behavior (acts by body) which detroits the humanity. However such lack of co-ordination among body, mind and soul also causes the various diseases like, headache, anemia, stress, back pain, digestion etc. Yoga is inner force which enables one to merge one's body and mind with soul and introduces one to oneself and brings near to God as well. Yoga is an ancient but a scientific discipline which was going to be lost in fast pace of world but the Modi, the prime minister of India rehabilitated it by

making it compulsory in school education and promoting it at large as a sports. Modi also brought it at the platform of US assembly to get it recognized at global level and member states of UN consented it without any anonymity and UN declared the 21 June as International yoga day in the year of 2014. Today entire world is facing the severe problem of terrorism which is the outcome of ill minds. Yoga can also cure such illness of minds and can stop the people to involve in such unfair and unethical practices to some extent. One more worldwide problem is sustainable development. Yogic view of human development will bring the all United Member States together to work on achievement of goals of sustainable development (ValentinaLeri, 2016). Yoga practices would also assist to consumers raising their awareness of the planet's resources and individuals' duty to value and live in peace with their neighbors (UN Secretary-General, Ban Ki-moon, 2016). The only people with inner peace can make the world peaceful. How world can be transformed without transforming the people and yoga is looking for inner well being of people (Sadguru' Jaggi Vasudev, 2016). Yoga would also have the bearing on consciousness and implementation of collective 17 global sustainable development goals (Akbarridin, India's permanent representative in UN, 2016).

Present study has been divided into five parts i.e. parameters of human development, yogic view of human development, research methodology, data collection & its analysis and interpretation.

CONCEPT OF HUMAN DEVELOPMENT

A human being is made of following five sheaths, so human development depends upon the well being of these sheaths.

1) Conscious sheath (Annamaya Kosha) which is related to our conscious physical deeds including walking, talking, viewing and other such functions which are performed using the physical body deliberately

2) Subconscious Physical sheath (Pranamaya Kosha): deals with physical activities that are performed in the subconscious state. Digestion, movement of hearts and lungs fall in this category. No any deliberate effort for these actions are made still the body knows how to perform them. These are autonomous.

3) Mental Sheath (Manomaya): deals with mind, emotions and thoughts. The gross thinking and emotions fall in this category.

4) Intellectual Sheath (Vigyanmaya Kosha): Intellect is the faculty that decides what is good and what is bad. It is ability for rational thought or inference or discrimination. The vigyanmayakosha helps us to identify true from false.

5) Blissful Sheath (Anandmaya Kosha): is a pure state of happiness and joy which is beyond any material pleasure (Bipin Joshi, 2006). Each of these sheaths or layers of physical body in yogic philosophy actually represents the different aspects of human personality

Integration of all stated sheaths of human body leads to human development. If all these sheaths or layers don't work in coordinated form, a

person can't be taken as humanly developed..

LITERATURE REVIEW

Swami Satyananda Saraswati (1975) focused on how human potential can be developed with the help of yoga. Study revealed that awareness is inherent to a human, yoga only unveils it by expanding the consciousness over the instincts. Yoga activates the body, mind and soul in harmonized manner that enhances the sensibility, intellectuality, psyche, spirituality in coordination with the physical activities.

Sunil Kumari (2011) made a study which went through conducting a yoga training programme by researcher herself, systematic pattern of data collection and comparison of average scores collected before and after training programme. Study revealed that regular practice of yoga techniques had a positive impact on the physical, mental, emotional and intellectual levels of people under training, compared to the untrained people. In conclusion, going by the results of the study, yoga techniques proved to be an effective means for self development.

Sunil Kumari (2011) also made a further study titled "Yoga: A Tool of Stress Management at Work Place" and found again the yoga an effective tool of stress management at work place.

Shelley Brown (2014) made an effort to know whether karma yoga helps in self development and found the karma yoga as a powerful tool of self development as suggested by Swami Vivekanand. Each act superseded by right spirit always leads to instinctive holiness and raises the divine power in a human being.

Swami Jnaneshvara Bharati (2020) studied the Maslow's Needs of Hierarchy with advanced yoga psychology. Swami ji classified the yoga development in four stages – Gross, Subtle, Causal and Absolute. Study stated that all five needs of human being quoted by Maslow come

under the first stage of yogic view. Yoga is progressive in nature which transcends a person towards development.

Being the yoga at the initial stage of rehabilitation, only few studies have been made thereon and no study has been made specifically on rationale of yoga education in human development which initiates the researcher to choose this topic for the purpose of the study. Thus, present study is exclusive in nature.

OBJECTIVES OF THE STUDY

- To explain the concepts of yoga and human development.
- To measure the impact of yoga on human development.
- To ensure whether yogamakes the human development or not.

Research Methodology:

· **Research Design:** Being the study experimental in nature, it went through conducting a yoga training camp, systematic pattern of data collection through observation and comparison of scores collected at five rating scale before and after the training programme.

· **Sampling:** 30 people were chosen in deliberated manner to join the yoga training camp/ programme consisting of both male and female equally.

· **Procedures:** Yoga training was given to selected people for a period of 3 months under close supervision and observed the change between pre and after the training programme.

· **Tools/ Measures:** Data collected through observation has been averaged to attribute results to an individual and arithmetic mean has been used to compute the mean values of scores. Standard deviations have also been computed to know the variability status of values (scores) from the mean values, further which have been taken into computations of t-values. At the end t-values at 1% level of confidence, have been used to signify the difference

between the mean values of controllable variables and experimental variables.

Parameters of Human Development:

Human development is a vast subject which contains many aspects but in present study it has been tried to cover all aspects categorizing them into five heads. These five heads also have sub-aspects. Table 1 indicates the various aspects of human and their corresponding parameters along with specifications on which basis effect of yoga on various dimensions of human development has been measured. Proper weights have also been given to each parameter.

Table 1: Aspects of personality & their corresponding parameters with specifications

S.N.	Aspect of Personality	Parameters	Specifications of Parameters
1.	Conscious physical sheath	Physical Fitness	Weight, size of waist
2.	Subconscious physical sheath	Shorten the breathing	Respiratory rate, Heart beats rate and Blood pressure
3.	Mental sheath	Intelligence	Intelligence Quotient
4.	Intellectual Sheath	Values and Ethics	Scale Rating (Being Quality)
5.	Spiritual sheath	Belief in God	Scale Rating (Being Quality)

How Yoga can make the human development?

Each sheath of a human being is wrapped by previous sheaths in succession. Yoga is a systematic process which has various stages to develop various aspects of person gradually as shown in Table 2.

Table 2: Aspects of Human development and their corresponding Yoga tools to nourish them

S. N.	Aspect/or Layer of Personality	Type Of Yoga
1	Physical Conscious	Yoga Asanas
2	Subconscious physical	Pranayama
3	Mental	Concentration
4	Intellectual	Meditation
5	Blissful /Spiritual	Samadhi

Important instruction was given to the trainees to do yoga twice in a day with empty stomach. They were also said to do it before sunrise and after sunset as it gives more benefits at that time.

Results and Discussions

Table 3 indicates the pre training scores and post training scores of each aspect of human development along with t-values

Table 3: Effect of Yoga on Human Development

S. No.	Aspects of personality	Pre- training Score		Post- training Score		t- value
		Mean	SD	Mean	SD	
1	Physical Conscious	36.97	5.61	24.58	6.13	15.94
2	Physical sub-conscious	27.48	5.12	17.45	3.51	12.89
3	Mental	16.93	3.15	18.54	2.11	6.78
4	Intellectual	13.02	2.12	13.89	1.94	3.56
5	Blissful/ Spiritual	8.12	2.13	8.72	1.45	1.98

As table 3 shows that scores of physical conscious have been decreased from 36.97 to 24.58

Being the parameters of both sheaths weight, waist size, such decrease in scores is a positive sign which indicates that yoga asanas stretch the body and makes it more effluent by directing energies in most controlled fashion. They provide the vital force and cause it to flow in specific parts of body. Alike the physical sheath, the subconscious sheath's scores have also been decreased from 27.48 to 17.45 that shows the reduction in heart beats rate, respiratory rate and blood pressure averagely which proves the effectiveness of Pranayamas on shortening the breath. So it is taken as an excellent remedy for back aches, digestion problems and heart problems. T-values of both aspects are 15.94 and 12.89 respectively which are significant at 1% level of confidence. Mean values of mental sheath have been increased from 16.93 to 18.54 having the significant t-value i.e. 6.78 which indicates that yoga sharpens the mind, power of imagination and creativity with concentration. Further scores of intellect sheath have also been increased from 13.02 to 13.89, but difference is very little which means yoga especially meditation slightly enriches the intellect personality raising the comprehensive thinking and sensitizing emotions. One can think calm, care and affection to others. Maya can not delude the individual anymore and majority of decisions prove to be

correct. Finally same indications are in case spiritual sheath which means yoga Samadhi move towards the casual state of mind by introspection where in the subtle layers of the mind unfold themselves and inner dimensions of personality open out. So yoga also brings the ultimate bliss, the joy that is impossible to achieve through worldly enjoyments. In case of intellect sheath and spiritual sheath, the significance of difference in scores in terms of t-values is 3.56 and 1.98 respectively which is also significant at 1% level of confidence. Above table shows that t-values are decreasing for each next sheath of personality which means yoga has more impact on the physical conscious than subconscious personality and so on. Such decreasing trend proves that each sheath of personality is wrapped by previous sheaths in succession. Yoga is a systematic process which has various stages to develop various aspects of personality gradually, so the later stages of yoga need long time practice to get more effectiveness or perfection. The blissful is the innermost sheath wrapped by other sheaths in succession and it has been least affected because of the short duration of training.

Conclusion

Yoga gives a lot of physical and mental energy. A person, who acts upon the soul's voice, can never be wrong at any front. Yoga is nothing but to bring the transparency between soul, mind and acts thereupon. The contrast of the post-training scores of the 'Yoga' with the pre-test scores followed by Gain score analysis (post-training, pre-training, dependent 't' test) was deemed the most powerful and complete analytic framework to evaluate the outcome of this study. The outcomes recommends that regular practice of yoga techniques had a positive impact on the various aspects of human development i.e. physical, mental, emotional and intellectual levels of people under training compared to the untrained people. In conclusion, going by the results of the present study, yoga

techniques may prove to be an effective means of human development. It has been found that yoga is a truth of life that makes the human development. It unfolds the human potentials. So study recommends incorporating the yoga practices to people to enhance the human developments of the learners.

Limitations of the Study

- Study period of 3 months was short because optimization in yoga needs a long term practice.
- Complete yoga has so many limbs, but only some yoga asanas, pranayama and a little bit of meditation has been included in yoga practices.
- Being the deliberate sampling, trainees were only young employees that limit its universality.

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The Changing Facets of Marketing: Exploring the Social Media Effect on Tourist

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Abstract

Social media has taken over almost every sphere of a man's world; ranging from socialisation, to business, to networking, to marketing and the like. No industry has remained untouched by the influence of social media. In today's fast pacing world, tourism offers recluse to the modern man looking for relaxation and unwinding stress. Tourism which has been an ever-dynamic industry has witnessed transformation by the advent of social media due to the very nature of it being 'information intensive'. In the present time and era, people are tech savvy and well informed, social media offers great opportunities to both tourists and travel firms for a meaningful exchange. Comparatively cheaper, interactive and less complex mechanisms of social media marketing have made it a favourite amongst the tourism sector. This paper aims to explore how an Indian tourist feels about social media marketing activities taken by the various Tourism and Hospitality players in terms of engagement and building a relationship with the Tourism brands, the paper seeks theoretical support of the Social Exchange Theory in building a conceptual framework and testing it amongst Indian tourists. With cut throat competition from well-established travel firms to newer start-ups, marketing has become a vital component for survival, keeping consumers engaged is the best way to thrive.

Keywords: Tourist, user generated content (UGC), engagement, social media

INTRODUCTION

“Social Media is about sociology and psychology more than technology.”

– by **Brain Solis**

Social media is the mega trend surfacing around the world. Every industry is targeting social media as a marketing tool to advance their sector. Due to its global reach, and digital form this kind of marketing has worked wonders to transform industries. Not lagging behind is the tourism industry which has gained immensely by the power of social media marketing. The user generated content has given rise to newer forms of tourism, better engagement to the tourists and greater revenues to the travel companies. The study on Consumer engagement has been researched in the field of marketing only a decade and half, thus not a very old concept (Brodie et al., 2011), also its study is done in different ways for different industries (Tsai & Men, 2017).

With the advent of SM, consumer engagement is usually noted in terms of the followers, subscribers, likes, posts etc. where higher the reach, higher is popularity and engagement. (Jayasingh 2019). The marketing approach today is not just receiving but co-contributing (Brodie, Hollebeek, Juric, & Llic, 2011). Various firms are now moving to co creation of marketing such as Vail Resorts and Kimpton Weddings discussed in later sections in details. The increase of ICT channels helps these strategies in improved individual and organizational performance. (Moncrief, Marshall, & Rudd, 2015; Teigland & Wasko, 2003)

This study tries to examine an important question raised time and over about the mutual benefits reaped from social media marketing to both tourist and marketer. A predominant issue was raised by Schultz and Peltier (2013) in “Social Media's Slippery Slope” of “whether or

how social media can be used to leverage consumer engagement into highly profitable relationships for both parties". In this study, we try to explore how social media through the use of electronic word of mouth and social media customer care can be instrumental in ensuring building a relationship management amongst the Indian tourists in a twin benefitting relationship of customer care and consumer engagement with Tourism brands.

Social media by nature is interactive and co-creative, its important to study its use on consumer engagement and its antecedent relationship management through the use of electronic word of mouth in terms of ratings, comments etc. (Barger and Labrecque, 2013) as the very fundamental framework on which social media marketing exists on is electronic word of mouth.

Rationale

Social media marketing is still a comparatively new framework of marketing thus how engagement can be created, measured and tracked is still in its infancy (Barger and Labrecque, 2013, Schivinski et al., 2016). It has multiple mediums that make it a fragmented medium for its applicability everywhere (King et al., 2014, Straker et al., 2015). The effects of Social Media marketing on Tourism industry is an under researched area of research, and requires greater attention from researchers and academicians, especially after being hit by the global pandemic SARS-COV which seems to be pushing Tourism industry as a one of the most affected industries. Study of CE has attracted more conceptual limelight by researchers and is supported by very empirical studies Azar, Machado, Vacas-de Carvalho, & Mendes, 2016; Zhang & Mao, 2016). With the effects of social media marketing being anticipated to go up multiple folds as social media is assumed to be the silver bullet that may revive the hard hit tourism industry an attempt has been made to fill the literature gap by providing empirical evidence from the

Indian Tourism Industry.

OBJECTIVES

The following are the research objectives of this study:

1. To gain a theoretical understanding of how marketing has evolved over the years
2. To understand how Social Media Marketing is used in Tourism Industry through famous examples from tourism brands
3. To empirically test if Social Media Marketing can lead to consumer engagement in the Tourism Industry through select variables.

RESEARCH METHODOLOGY

Research Design

This study aims to empirically test how social media marketing can lead to consumer engagement in the Tourism and Hospitality industry. For this, both primary and secondary data has been collected. While the secondary data has been used for building the theoretical framework thus using a descriptive research design, primary data has been used to empirically test the hypothesised relationships thus using an exploratory research design.

Sample and Data

Primary data has been collected through an online questionnaire distributed to varied groups of people of Indian origin who have travelled in the last one year. The aim is to understand if they felt that the social media marketing practices used by the leading Hospitality and Tourism players made them feel more engaged and helped them building a relationship with the Tourism Product (transportation, accommodation and restaurants etc.).

A total of 300 Indian internet users who travelled in the past one year were reached through Google forms distributed online, amongst which 210

responded with a response rate of 70%. The data was coded and checked for any outliers and missing values. To avoid any biases, incomplete forms were not counted and after data cleaning, 204 respondents were found to be appropriate with all the responses. Thus, the sample size for the study is 204.

Scales of measurement

The study operationalizes the use of e-WOM, consumer engagement, Social Media Customer and Relationship management as reflective measure, where the variables were measured using a Likert scale, from 0 (totally disagree) To 5 (strongly agree). The questions were self-constructed through an in-depth literature analysis and thus taking into account research gaps and appropriate for Tourism Industry. A 16 item scale was developed items each, but only those items that have valid reliability and validity have been taken in the final model.

Statistical techniques

Demographic analysis was done through SPSS 22. Structural Equation Modelling was used to study structural relationships between the variables. There is dearth of studies focusing on PLS SEM in the Tourism and Hospitality sphere (Ali, 2018). Hence, technique used and found to be appropriate was PLS-SEM. Path Modelling using Path coefficients has been used to test the hypothesised relationships. SmartPLS software 3.3.2 has been used for data analysis (Ringle, Wende, & Becker, 2015)

THEORETICAL FOUNDATION

Tourism and social media are both concepts that have diverse definitions, hence for the purpose of this study we shall be assuming the following as the definition of the both as shown in the table 1.

Table 1: Definitions for the study

Concept	Definition	Source
Tourism	"Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes."	UNWTO, 2017
Social Media	...activities, practises and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media. Conversational media are Web-based applications that make it possible to create and easily transmit content in the form of words, pictures, videos, and audios."	Safko & Brake, 2009

Social Media

'Social media is the media people use to be social'.

-Safko (2010)

User generated content, web 2.0 and social media have often been used interchangeably, but there is difference amongst them. While web 2.0 paved way for social media, user generated content is the actual data that social media uses. Social media can thus be defined as "a group of Internet-based applications that allow the creation and exchange of User Generated Content" (Kaplan and Haenlein 2010).

With the emerging trends in networking and technology and the ever-rising application-based platforms, social media as a means of communication does not have an exhaustive list. But various authors have collaboratively categorised social media into various channels such as Blogs, Micro Blogs, Social Networking Sites and discussion portals.

Social Media Marketing

Barefoot and Szabo have defined social media marketing in a crisp manner as a combination of those channels that are used for company's promotion and not just the products. Social media marketing focuses on co creation ideology where the marketing content is consumed and produced both by the

audience. (Evans, 2008). Social media marketing thus works on a long-term relationship building premise. (Barefoot & Szabo, 2010).

Social media is the new era marketing strategy. Various studies have proved that it is now more preferred than the traditional marketing. This claim is further supported in a study conducted by Safco in 2010, where it was found that social media has been more effective and beneficial than the conventional form of marketing in terms of its reach over the last 6000 years.

The Paradigm shift of Marketing

“The aim of marketing is to know and understand the consumer so well the product or service fits him and sells itself.”

- **Peter Drucker**

Over the years, marketing has transformed immensely. These changes have been witnessed from the classical marketing era, to the 21st century marketing and finally the breakthrough social media marketing. Birch in 2011, conducted a study on the marketing paradigm shift as shown in Table 2.

Table 2: Paradigm shift of marketing

<i>Classic marketing</i>	<i>21st century marketing</i>	<i>Social Media Marketing</i>
Product	Experience	Relationship
Price	Exchange	Return on engagement
Place	Everyplace	Reach based relevance
Promotion	Evangelism	Reputation

Source: Author's own, adapted from Birch (2011)

It can be seen that from the traditional 4 P's by McCarthy, the shift has moved to 4 R's of social media marketing. From traditional marketing, the trends is now moving towards social media marketing, that offers various opportunities to the brand in form of durability and strength to the brands to compete and survive the market with greater returns (Dholakia and Durham, 2010) and lessor

investment from traditional PR and Promotion activities.

Tourism marketers engage in social media marketing primarily for consumer engagement with their actual and potential consumers i.e. tourists through their journey of decision making. (Hudson and Thal, 2013). Being intangible in nature and information intensive, effective communication acts as medium to promote tourism. Innovation can be reinforced with the help of valuable insights that can be gained through user generated content of social media which can act as a meaningful tool for brand innovation and enhancement. (Hudson and Thal, 2013).

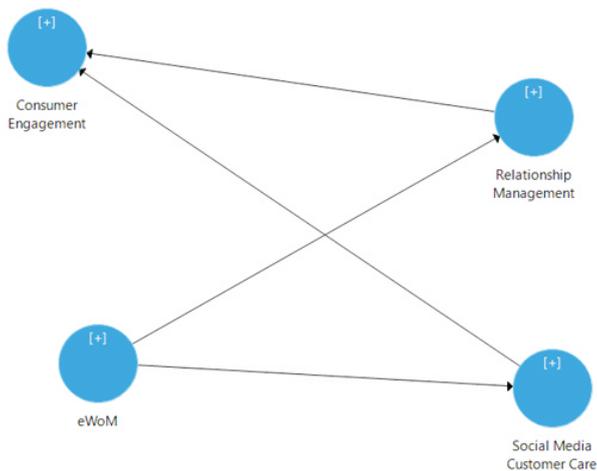
Consumer engagement for tourists is a 'sociological standpoint' as these are not their regular engagements and thus are highly anticipated (Cohen 1979 and MacCannell 1989). It becomes essential to thus tap the engagement aspect of tourists to stand out in the marketplace (Cetin & Dincer, 2014).

Social Exchange theory

This theory discusses the exchanges involving buyers and sellers from different organizations (e.g., Griffith, Harvey, & Lusch, 2006; Pulles, Schiele, Veldman, & Hüttinger, 2016) and supports that the social relationship is established between any two parties due to reciprocal benefits arising, thus any sort of relational behaviour is displayed through reciprocity. The more is the reward the more will be the participation in terms of repetition and frequency (Cook et al., 2013) and shall be followed with an obligatory “appropriate attitudinal and behavioral responses” (Griffith et al., 2006.).

Keeping in mind principles of Social media gratification and social exchange, the following model is proposed and empirically tested.

The conceptual model for this study can be seen in the Figure 1.

Fig 1: Conceptual Model

Consumer Engagement (CE)

Consumer engagement is an effort of the brand to keep itself away and distinguished from the competitors. It is the brand's strategy to get its consumers to engage not just with its product offering but also the brand as a whole. Consumer engagement can be defined as “a psychological state that occurs by the virtue of interactive, co-creative consumer engagement with a focal agent/object (e.g., a brand) in focal service relationships” (Brodie et al. 2011). The focus of CE is beyond the firm and purchase but also on building a motivational driver such as emotional connect (Doorn et al. 2010). It can be said as a relational construct that has an umbrella of marketing concepts such as brand loyalty, relationship marketing, CRM, and social networks (Schultz and Peltier, 2013). This study focuses on the relationship management and social networks aspect.

For example, the social media campaign success of #MyEpicPass by Vail Resorts, it launched an interesting social media campaign to capture its EPIC pass guest memories. They made an attempt to display all of the activities and amenities offered at all twelve of its iconic resorts worldwide by taking inputs from the consumers itself. The brand featured the collected content in a shop like social gallery on their own website to extend the campaign's reach. This way they have

encouraged guests to keep submitting valuable content. Ultimately, the goal of the campaign was to encourage browsers to pre-purchase next season's EPIC pass and thus continuing to maintain association with the brand.

Thus, it can be seen that tourists feel more a part of the company's part and thus gets engaged further with the tourism brand and is lines with Social Exchange theory. (Griffith et al., 2006) Relationship Management (RM)

Social media has made it easy to build, maintain and retain relationships. These relationships may or may not be long lasting, but through continuous campaigns on social media, an attempt is made to make them as long and deep impact on the consumer.

For example, Room key is a famous case in Hospitality Industry. This hotel booking Engine was launched in 2012 by Choice Hotels, Hilton, Hyatt, InterContinental, Marriott, and Wyndham. These are leading service providers of hospitality sector services. Room Key provided varied services such as price comparisons, hotel bookings feature and display ratings of past consumers. There was a scheme launched for its consumers by the name of 'rewards points'. These reward points could be earned only in case of direct bookings on the Room Key website. There are different loyalty schemes-redeem points from Room Key partnership Hotels. The objective of this booking engine is to maintain direct relationship with travellers through a specific focus on service personalization and rewarding schemes.

H1: Relationship Management positively influences Consumer Engagement

Social Media Consumer Care (SMC)

Kang and Schuett in their study conducted in 2013 discussed how tourism companies take social media as a tool to boost their services and in turn performance, this also helps brands in

reinforcing their brands to the consumers through consumer insights. In a study by Sprout social it was found that failing to respond complaints on social media can lead to a 43% decline in customer advocacy and replying can rather increase the advocacy by 20% (<https://sproutsocial.com/insights/social-customer-care/>)

For example, @southwestair is an active customer care Twitter handle, any form of discomfort, complaint or query relating to Southwest Airlines can easily be taken on social media through its twitter handle i.e. @southwestair. It provides consumers with a hassle-free mechanism to get their complaint heard, and redressed. They also launched a program #FeesDontFlywhere they rewarded consumers with \$50 and free travel tickets to those who posted horror stories with a competing carrier in an attempt to improve their own customer experience. This helps them to avoid bad experiences offered by their competing carrier companies and enhance their own brand image and services.

H2: Social Media Customer care positively influences Consumer Engagement

Electronic Word of Mouth (e-WoM)

Social media has transformed the information exchange and creation (Hays et al. 2013) it has made interaction with the brand much quicker and convenient (Luliana, 2013). Along with this, users also feel more powerful as they feel they have greater bargaining powers (Leung et al. 2013) since they are both creator and users of the date available online. eWoM is the steadily replacing the traditional Word of Mouth publicity. Hence making users feel liberated to post both positive and negative comments online and share with their virtual communities. Social media also aims to capitalise these reviews and rating through various promotional efforts such as referrals. It is believed that eWoM “non-commercial, authentic, and experiential detailed

information” that help tourists with various insights on tourism such as destinations, itinerary etc. (Buttle 1998). For example, Trip advisor is the world's most famous travel app having more than 136000 destination registered. This website provides a complete range of travel services related information through social media such ratings and reviews, destination images, itinerary suggestions, price comparisons etc. This helps the travellers to make the right choice at the right time and at the right price. It allows user to sort ratings in terms of popularity and reviews, provides itineraries from engagement travellers that also shares a pros and cons list of a service or a destination both. A study quoted that 96% of Americans preferred posting ratings and reviews and about 74% Americans felt uncomfortable travelling without referring to reviews or ratings.

H3: Electronic Word of Mouth positively influences Relationship Management

H4: Electronic Word of Mouth positively influences Social Media Customer care

RESULTS & ANALYSIS

Demographics of the sample

Male respondents are 64.7% in the sample and females are 35.3%, thus evidently male population is in dominance. Majority of the population is between 18 and 29 (49%), followed by 30 to 45 (26.47%). Minority respondents are below 18 and 45 above with 12.22 % each. 74.3% respondents are 'highly active' on social media while only 25.7% are 'not so active'.

63.7% of the respondents were group travellers and 36.3% were found to be solo travellers or bag packers. There was no significant different found between the groups on the basis of demographics, social media usage and travel habits in the chi square values obtained.

Structural Equation Modelling

Following the two-step approach (Anderson and Gerbing ,1988) for PLS

SEM, the results of the structural equation modelling are:

Measurement Model Results

The assessment of measurement model was done through calculation of loadings, AVE, CR, rho_A, and Cronbach's alpha. These were calculated through PLS Algorithm and checked with threshold limits (Hair et al., 2011, Chin, 2010; Henseler, 2015; Hair et al., 2017).

Indicator loadings can be seen from table 3.

Table 3: Final indicator loadings

Indicator	Construct	CE	EWOM	RM	SMC
C1	Consumer	0.888			
C2	Engagement	0.894			
EWOM1	Electronic		0.575		
EWOM2	word of		0.844		
EWOM3	mouth		0.856		
EWOM4	(e-WOM)		0.409		
RM2				0.942	
RM3	Relationship			0.906	
RM4	Management			0.887	
SMC1	Social Media				0.862
SMC2	Consumer				0.913
SMC3	Care				0.809
SMC4					0.722

Source: Author's own

Loadings less than 0.4 are not good (Salkind 2004) for exploratory research and hence were eliminated (refer Table 3). Thus, item C3, C4 and RM1 were eliminated. Composite Reliability above 0.7 is preferred (Bagozzi and Yi, 1988; Chin, 2010; Henseler et al., 2009; Vinzi et al., 2010) and AVE above 0.5 (refer Table 4).

Table 4: Internal Consistency Reliability & Convergent Validity

Construct	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
CE	0.74	0.741	0.885	0.794
EWOM	0.633	0.785	0.781	0.51
RM	0.899	0.901	0.937	0.832
SMC	0.845	0.844	0.897	0.688

Source: Author's own

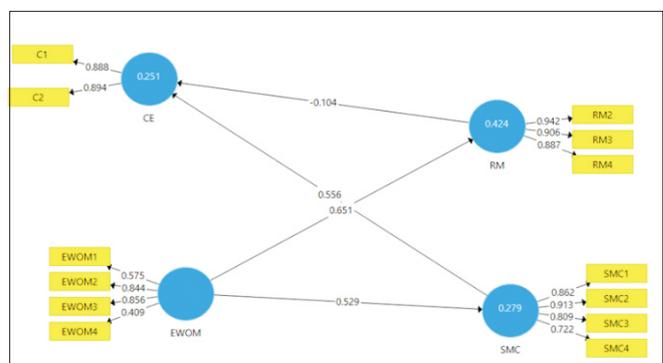
To discriminate the constructs, it's important to check discriminant validity. In PLS SEM the best method is found to be HTMT which is calculated through Bootstrapping 5000 sample Bias corrected and accelerated (Bca) 95% significance level. The values should be below 1 (Henseler 2015) and can be seen in Table 5.

Table 5: Discriminant Validity assessment HTMT

	Original Sample (O)	Sample Mean (M)	2.50%	97.50%
EWOM -> CE	0.532	0.559	0.479	0.65
RM -> CE	0.3	0.309	0.199	0.456
RM -> EWOM	0.762	0.758	0.669	0.839
SMC -> CE	0.624	0.625	0.532	0.719
SMC -> EWOM	0.718	0.716	0.549	0.898
SMC -> RM	0.707	0.717	0.66	0.805

Source: Author's own

Fig 2: Measurement and Structural model results



Source: Author's own

Notes: within the constructs-R2, outer model-loadings, inner model-path coefficients

Structural model Results

After getting satisfactory measurement model results (see figure 2), the next step is to check structural mode. To test hypothesis bootstrap of 5000 samples was run on Bias corrected sample (Bca) and the significance of the path coefficients were tested on 95% (t value <1.96). As visible below, H1 is not supported with a p value of 0.211, t value of 1.252 and a negative path coefficient, hence, it can be said that relationship management through social media does not positively impact consumer engagement. H2 is accepted as it has path coefficient of 0.556, t value of 8.414 and p value 0, hence it can be said that social media consumer care positively impacts consumer engagement. H3 is also supported as it has a path coefficient of 0.651, t value of 16.62 and p value 0. Hence it can be said eWOM positively influences relationship management through social media. H4 is also supported as it has path of 0.529, t value 8.392 and p value 0. Hence it can be said the eWOM positively influences Social Media Consumer care.

Predictive Relevance (Goodness of fit)

To check the model fit, the predictive power is checked in PLS SEM (Hair et al., 2017; Chin 2010). Values above 0 are considered relevant for a new or just discovered model. (refer Table 6). R2 values indicate that the endogenous latent constructs can predict moderately the exogenous variables. The blindfolding Q2 show are above 0, hence significantly endogenous latent constructs can predict moderately the exogenous variables.

Table 6: Predictive Power of the Model

Endogenous Latent Construct	R ²	Q ²
CE	0.251	0.196
RM	0.424	0.339
SMC	0.279	0.18

Source: Author's own

DISCUSSION & IMPLICATIONS

Social media marketing has transformed and revolutionised the marketing mix of any firm. While there are several positive implications such as better relationship building, consumer engagement, massive electronic word of mouth and the fondness of social sharing via storytelling, there are concerns such as trolling, fake content and paid partnerships that question the authenticity of these user generated content.

The empirical data shows that men are more dominant in making tourism-oriented decisions and for following up complaints etc. Hypotheses testing reveal that merely making relationship with the consumer over social media is not enough but Tourism players must follow grievances and queries through social media as it helps to enhance the consumer engagement. It can also be seen that electronic word of mouth has taken over traditional WoM which is a major form of publicity and promotion. Indian tourists take it as a means of building relationship with the company and it also helps them to voice their concern through various official social media accounts of the Tourism and Hospitality firms. These results are similar to Statista's 2019 report of consumers having 47% favourable view towards those brands that offered responses to customer service questions online.

All in all, social media marketing has the ability to reach mass audience with minimal efforts and money. Also, marketing strategies can be adjusted based on such findings on social media. (Milwood et al. 2013). The empirical results show that tourist's behaviour can be understood through Social Exchange Theory as they do end up behaving in the desirable manner as long as they are getting something favourable in return (Griffith et al., 2006). Such as redressal of complaints through online customer care, and are able to build relationship with the company.s

It has been able to transform tourism industry by opening newer avenue. In the light of the present pandemic Covid-19, the global tourism industry highly relies on social media marketing to revive the worst hit sector of hospitality. This study aims to bridge the gap between various countries like Singapore and Italy have already taken the lead to attract tourists by show casing precautionary measures by the Governments and the key hospitality and tourism players. This can be achieved through positive eWOM and Relationship management over social media. Social media marketing seems to be the only hope to recover this hard-hit industry!

LIMITATIONS & SCOPE OF FUTURE RESEARCH

This study is exploratory in nature and the conceptual model has been generated from research gaps found in the literature. The sample size of this study is small (n=204) and thus accuracy for generalisation to the population may not be fully attained. This study aims at studying the behaviour of Indian tourists, and thus the validity of this model for consumer engagement amongst tourists of different ethnicities is yet to be explored. The main of the study was to explore the relationships between the variables through social media and thus demographics have been limited to age, and gender and social media habits have been included as a part of analysis.

Amongst the various aspects suggested by Schultz and Peltier (2013) for consumer engagement, the focus of this study is limited to Consumer engagement and Relationship management through social media. Also, since it an entirely new model, there is no comparison available as a whole and can only be done variable wise.

Future studies can take up the conceptual model proposed for studying tourist behaviour from different countries or continents and take up

comparing any changes on ethnicities. Also, this model can be empirically tested on the engagement of consumers of products.

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Understanding Investor Behaviour Using Prospect Theory: An Indian Perspective

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ABSTRACT

Kahneman and Tversky's Prospect Theory tries to explain investor behaviour under risk when alternative outcomes are available to them while making an investment decision. Loss Aversion, Regret Aversion, and Mental Accounting are the three dimensions of this theory. Loss aversion is an investor emotion that prevents unloading unprofitable investments because they lead to a loss. Regret Aversion is the anticipation of regret where an investor holds to loss-making investments with the fear of admitting an incorrect investment decision. Mental Accounting is the value investors place on money, often leading to detrimental results.

This research attempts to gain deeper insights into the complex investor behaviour which forms an important aspect of behavioural finance. An online survey of 282 pan-India stock market investors is done on the three dimensions and the collected data is analysed using One-way ANOVA to measure the relationship between independent (income, investment amount, education qualification, age, gender, and investor experience) and dependent variables (loss aversion, regret aversion, and mental accounting). This study is of significant interest to financial institutions for product design, to the government in making economic policy, and financial advisors who can consider the independent variables as crucial factors that make their clients prone to behavioural biases.

KEYWORDS: behavioural finance, loss aversion, regret, mental accounting, bias, risk

INTRODUCTION

The Prospect Theory given by Kahneman and Tversky in 1979, is a major contribution in the field of behavioural finance. (Kahneman-1979). The contribution is so influential that Kahneman was awarded the 2002 Nobel Prize for his contribution in Economic Sciences. Despite their work getting several thousands of citations over decades, much of its practical utility outside the laboratory setting only came in the recent years. (Barberis,2013)

A hardcore economic theory, the Prospect theory has several recent applications in the domains of finance, insurance, and endowment effect (areas of riskless choices), consumption-savings decisions, industrial organization, labour supply, amongst others (Barberis,2013).It is an important

theory that explains how people perceive the probabilities of earning losses and profits.

The prospect theory includes three biases that an individual is prone to - Loss Bias, Regret Bias, and Mental Accounting Bias. The bias here is considered as an individual's inclination towards a choice that is not logically justifiable. As Benjamin Graham puts it, "The investor's chief problem - and even his worst enemy - is likely to be himself." An individual has to overcome several biases to be successful in the markets failing, which the market punishes by eroding capital and eating away money in the form of charts and penalties(Baker & Ricciardi, 2014).

In his book Behavioural Finance and Wealth Management: How to Build Optimal Portfolios That Account for Investor Biases, author Michael M.

Pompian divided the concept of Behavioural Finance into two subtopics: Behavioural Finance Micro (BFMI) that behaviours or biases of individual investors and Behavioural Finance Macro (BFMA) that deals with anomalies in the EMH (Pompian, 2006).

This paper examines Prospect Variables (Loss Aversion, Regret Aversion and Mental Accounting), which are part of behavioural factors that lead to investment decision making. Research on Sri Lankan investors showed that these variables do not have a significant impact on investment performance (Kengatharan & Kengatharan, 2014)

REVIEW OF LITERATURE

Behavioural finance and Investor Behaviour

Researchers focus on capital markets over the decades has shifted from aggregate market studies to investor-centric and from market-closing data to detailed transactional data.

Studies show that though individuals hold fewer assets (6% as against institutions holding 94%), the frequency (1/3rd of transactions) and aggregate transactional value of individual investors is high. Further, their past actions have a strong relationship with their future actions. Individual investors often follow a contrarian strategy as against the momentum strategy that institutional investors follow (Koesrindartoto, Aaron, Yusgiantoro, Dharma, & Arroisia, 2020).

Behavioural finance paved the way for a new approach to capital markets as the classical finance paradigm suffered from several imperfections (Birău, 2012). Investors largely focus on risk and return and wish to use objective risk assessment for measuring them. However, investing in capital markets involves several psychological factors, and hence behavioural finance emerged as a branch to address the issues and questions related to the mental aspects of

investing (Chişu, 2019).

Investors, theoretically speaking, should be rational. However, empirical evidence shows they act irrationally in the financial markets. Emotions make them biased, overconfident and make cognitive errors (Alsabban & Alarfaj, 2020). Investors are irrational, and their decisions are biased. Behavioural finance deals with the psychological aspects of finance and has led to the evolution of several financial theories. The behavioural biases are either driven by heuristics (such as overconfidence and anchoring) or frames (loss aversion and disposition effect). The inability of the field to merely point out loopholes but not to give a technique to beat the stock market makes it to depend on traditional theories (Copur, 2015).

Several researchers examined the history and fundamental theories of behavioural finance. The researcher points out three emerging areas in the field: Deeper investor psychology research linking psychology with economics, exploring market anomalies, building a behavioural finance theory system linking behavioural portfolio theory, and behavioural asset pricing model (Yang, 2016). Investors following prospect theory follow a conservative strategy, and overweighting unlikely favourable events can substantially increase portfolio risk, as can be seen in the study on investment-linked annuities (van Bilsen & Laeven, 2020).

Prospect Theory

Prospect theory explains how people deal with alternatives to probable outcomes that involve risk. These probable outcomes of earning gains or losses are known to the individuals in advance before they make a decision. This theory was put forth after they had experimented on a group of subjects with different choices to make. It examines how an individual takes a decision based on probabilities i.e. the potential value of perceived losses and gains but, not based on the final outcome. This means that the

loss or gain has actually not been incurred by the individual, but, the investor made himself to be put in a situation to experience the feeling of experiencing joy and pain, which influences investment decisions. (Singh, 2019)

Some recent studies empirically tested the Peak-End rule of the Prospect theory to explain stock prices and returns and extended the traditional models such as the Fama-French (1993) three-factor model, Carhart (1997) four-factor model, and more recently the Fama-French (2015) five-factor model to build a new seven-factor CAPM model. The research finds that successive prices are not independent and that the current price is affected by the previous price (Gregoriou, Healy, & Le, 2019).

Loss Aversion

Loss aversion, from a behavioural psychology perspective, says human behaviour is more sensitive for losses over gains i.e., less risk will be taken when losses are possible. Further, loss aversion attitude will be less when making decisions for the future than for the present (Qiqi & Guibing, 2017).

Research studies that studied the impact of loss aversion on investment decisions have given contradicting results. Examining views of 400 respondents and applying PLS-SEM (Partial Least Square-Structural Equation Model), a study found loss aversion has no impact on investment decision making (Nur Ainia & Lutfi, 2019). Age and gender have an impact on the risk-taking ability of the investors as studies found that loss aversion and risk in older individuals make them take less risk (Arora & Kumari, 2015). Some studies considered demographic dimensions, and it is found women have higher levels of loss aversion than men (Charness & Gneezy, 2012) and that they tend to invest less in assets carrying higher degrees of risk (Olsen & Cox, 2001).

Regret Aversion

Regret is a negative emotion that makes an investor feel sad about "what might have been" of an unknown option against the true outcome of a known option. Regret theories are applied to asset pricing models to form new models such as the R-CAPM in which the market as a whole pays investors a positive "regret premium" as compensation to regret premium. (Qin-Regret-based-Pricing-Models) Regret theories were applied to different securities and instruments in the finance domain. Applying the theory on investor decision making (Vohra & Davies, 2020) found that positive corporate associations can mitigate the effects of share performance on investor regret. Currency exposure is a dimension of regret, says (Michenaud & Solnik, 2008).

Mental Accounting

Mental accounting is an investor trait in building a portfolio with several current and future assets put into different categories with wealth generation expectations from each of them. (Nayak & Kumar, 2020) Further, individual differences play a major role in mental accounting. Studies showed that mental accounting is positively correlated with being female, with conscientiousness and financial literacy, and negatively related to education and non-planning impulsivity. (Muehlbacher & Kirchler, 2019) A collective mental accounting (CMA) model built by bringing together all mathematical models are found to outperform other typical mental accounting models in terms of behavioural efficient frontier and utility functions (Momen, Esfahanipour, & Seifi, 2018).

Education and Training

Training is not an option but an essential requirement for those who take up stock market trading and investing as a professional activity. Training helps in professional development in bring a positive first impression, boost morale

and lower turnover (and thereby transactional costs) and follow compliance. (Adamson, 2006) Investors with an academic degree were found to trade more actively, and that trading experience in the form of trading activity contributes to higher returns. (Kristjan, 2016). Some studies dealt with the causal relationship between education, literacy, and behaviour. It is found that sound financial literacy does not necessarily mean good financial behaviour and that there are two necessary areas of improvement. Firstly, alongside educating on financial markets and products, individuals are to be trained on psychological bias and limitations as well. Secondly, complex financial products that are confusing, ambiguous, and inappropriate need to be regulated (West, 2012).

OBJECTIVES OF THE STUDY

1. To understand the behavioural biases (mental accounting, loss aversion, regret aversion) which come under the prospect factors?
2. To examine the relationship between the demographic profile of investors and prospects factors.

RESEARCH METHODOLOGY

An online survey of 282 pan-India stock market investors is done by administering a questionnaire (22-questions) based on the three dimensions to examine their agreement on various prospect variable questions. The convenience sampling method is used for picking the sample. The questions help in understanding investor's tendency to take risks after making a gain (or loss), reaction to hold (or sell) securities when the value goes down (or up), hesitation in reporting loss with family members, affection to specific scripts amongst others. The collected data is empirically analysed using One-way ANOVA to measure the relationship between the independent variable and the dependent variables. Income, investment amount, education qualification, age, gender, and investor

experience are independent variables, and loss aversion, regret aversion, and mental accountings are dependent variables.

HYPOTHESES

1. There is no significant relationship between demographic variables and loss bias.
2. There is no significant relationship between demographic variables and regret aversion.
3. There is no significant relationship between demographic variables and mental accounting bias.

Age and Gender classification

The age and gender profile of the respondents, wherein most of them belong to the age group between 31-40 years (i.e. 32.9 percent) followed by the 41-50 years (25.5 percent) age group and then the age group less than 30 years (25.1 percent). A majority of the respondents were observed to have fallen in the younger and middle age group category. About 93 percent of the total respondents are males.

D A T A A N A L Y S I S A N D INTERPRETATION

ANOVA is essentially a procedure for testing the difference among different groups of data for homogeneity. There may be variation between samples and also within sample items. ANOVA consists in splitting the variance for analytical purposes. Under the one-way ANOVA, only one factor is considered and then observes the reasons for the factor to be important in several possible types of samples that can occur within that factor. (C.R.Kothari, 2004)

One-way ANOVA test is used to test the hypothesis, which was proved significant in Linear Regression. Out of the four significant relationships found in regression, only two showed the significance in ANOVA. This further analysis will help to understand which groups show a high level of bias to the respective demographics.

Age and Mental accounting

Table -1 shows the p-value as 0.037, which is less than 0.05, i.e., $0.037 < 0.05$; thus, the null hypothesis is not accepted. Mental accounting bias has shown a significant difference (at a 5% level of significance) for investor age in the stock market. This reveals that mental accounting bias influences different age groups, and respondents tend to divide their money into various mental compartments for various needs like a savings account, entertainment account, medical account, debt account, and many more. They attach different weights to each account, and this influences their behaviour consequently affecting their decisions. In any case, if the balance goes negative in those mental accounts, the investor suffers from a feeling of dissatisfaction.

The age group of above 60 years (14 investors) is highly prone to this bias, followed by the age group between 41-50 years (72 investors) and then 31-40 years (93 investors) in line. Therefore, it is concluded that all the age groups are more or less equally prone to this bias, and only the youngest age group i.e. less than 30 years is least prone.

This explains that the respondents were hesitant to sell investments, which once helped them earn significant gains despite the current decline in prices. This is because they have added this investment element into their gain compartment, and eliminating this investment will cause them dissatisfaction. Similarly, on losing money, the respondents were not that keen on buying another movie ticket for Rs.100 as their cash account was debited with Rs.100, and buying another ticket would make it to a negative balance of Rs.200. Contrarily, on losing a movie ticket, they were interested in buying another ticket that was charged to entertainment account in their mind. To explain this, on buying a movie ticket the respondents tend to create an entertainment account in their mind and

credit it with Rs.100, and after the purchase of the ticket, the account is debited by Rs.100, the effect is neutralized, which does not have in the case of losing money.

Average monthly investment and loss bias

In Table-2, the p-value was found to be 0.004, which is less than 0.05, i.e., $0.004 < 0.05$; thus, the null hypothesis is not accepted. It shows that there is a high level of a significant relationship between loss aversion and average monthly investments of the respondents. It can be inferred that individuals with fewer investment amounts are risk-averse when they enjoy a gain and tend to avoid risk, but vice versa was observed, i.e. the individuals with lesser investment amounts were inclined to take risks after experiencing a loss in the past when compared to individuals who invest more.

Respondents making smaller monthly investments preferred less risky investments despite knowing that they fetch low returns compared to high-risk investments that have the potential of giving high returns. In two similar instances with the opposite effect i.e. loss of Rs.1000 and gain Rs.1000, it was found that these investors felt more pain for the loss than enjoying the feeling of joy during the gain. These findings show that investors are prone to loss aversion bias. The lower the investment capacity, the more fear of losing money and vice-versa. Investors make every attempt to avoid risk, even at the cost of losing probable gains.

Monthly Income and mental accounting

Table-3 showed that a significant relationship exists between the mental accounting and monthly income of the investor. Upon examination of their responses to the questions asked it was found that the individuals that fall under the income category between Rs.50,000-Rs.1,00,000 hesitate to sell investments,

which once helped them earn significant gains, though currently, its price is falling. In response to two questions asked, it was observed that when respondents lose money, they are less interested to buy a product again, but when they lose a product, they are willing to buy it again. This shows that this category of investors is most prone to mental accounting as they keep different mental accounts for each need, and when any one of those goes negative (not always the net effect), they feel pained.

Experience and Loss

From Table-4 the p-value is found to be 0.024, which is less than 0.05, i.e., $0.024 < 0.05$; thus, the null hypothesis is not accepted. This clearly shows that there is a high level of a significant relationship between loss aversion and experience of the investors in financial markets. It was found that the investors that fall in the experience category between 1-5 years are more loss averse, followed by the less than 1-year group. It was also observed that after enjoying a sure gain, these investors showed a tendency to avoid risk, and after experiencing a sure loss, they were ready to take risks in their investment choices. They preferred investments with low risk-less returns than the ones carrying more risk and high returns. The investors in these groups strongly felt that they experience more pain in losing Rs.1,000 than the joy of gaining Rs.1,000. It can be inferred that with less experience, their nature is loss averse and fearful while the experienced investors tend to become wiser in their investment choices.

Respondents investment in different Markets and training

A majority of the respondents have invested in both the primary and secondary market (53.9 percent), and only 6 percent have invested in derivatives. From the data collected it was found that only 67 respondents out of 282 respondents (i.e. 23.7 percent) have attended formal training to

acquaint themselves with the stock markets.

FINDINGS

Average Monthly Income and Experience is significant for Loss Bias, Monthly Income and Age are significant for Mental Accounting. No demographic variable is found to be significant for Regret Aversion. Mental accounting bias influences different age groups. Imbalance in mental accounting leads to dissatisfaction.

SUGGESTIONS

The respondents were found to be prone to mental accounting bias and Loss bias. There is a need to create awareness among investors to help them make logical decisions and not emotional or impulsive ones. Poor training and lack of orientation programs to new investors are missing in the current times. Investors who were trained also felt that there was too much conflicting information available, which made them feel confused. Information overload is a serious issue that needs to be tackled as it leads to dissonance among respondents and creates a feeling of uneasiness.

LIMITATIONS OF THE STUDY

The present study could reach out to 282 investors whose presence was across the nation and hence cannot be generalized to all investors of stock markets. The majority of the respondents were men so the behaviour of women investors could not be captured well. With limited time and resources, the researchers have tried their best to produce the results with minimum error.

SCOPE FOR FURTHER RESEARCH

The sample selected for this study was individual investors. Since there a few studies on prospects theory, including these three factors, the same can be extended to stockbrokers, investment

advisors, and institutional advisors to understand their behavioural profile since their behaviour impacts the decisions of their clients. In addition to this, by increasing the sample size, better insights can be formed.

CONCLUSION

Behavioural finance helps to understand human behaviour which is irrational and how it impacts the investors in the stock market. The present research is an attempt to examine three factors that fall under the Prospect theory. The literature view showed that there is a dearth of studies on these three factors (loss aversion, regret aversion, and mental accounting bias), and demographic factors are taken into consideration in one research. The results show that age, monthly income and mental accounting have a significant relationship, which explains that this bias influences the decisions made by the respondents. Average monthly investment, experience and loss bias also significantly impact their behaviour and make them prone to make irrational decisions. These influential factors unknowingly make them take suboptimal decisions.

A new investor should be made to clear a foundation level course to understand the basics of the markets. The depositor participants in various parts of the country can conduct regular training programs for their investors. Thus training and financial literacy should be actively made available to investors to empower them to make rational investment choices.

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Table 1: Result of Mean values and ANOVA-Age & Mental Accounting Bias

	N	Mean
Less than 30	71	11.9859
31-40 years	93	12.7204
41-50 years	72	13.2917
51-60 years	32	12.1563
Above 60 years	14	13.9286
Total	282	12.6773

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	91.895	4	22.974	2.589	.037
Within Groups	2457.739	277	8.873		
Total	2549.635	281			

Source: Primary data Processed using SPSS 20,
*Significant at 5% levels

Table 2: Result of Mean values, ANOVA-Average monthly investment and Loss Aversion Bias

	N	Mean
Less than Rs.10,000	91	13.7143
Rs.10,001-Rs.20,000	66	13.0152
Rs.20,001-Rs.30,000	49	12.2857
Rs.30,001-Rs.40,000	14	11.8571
Rs.40,001-Rs.50,000	22	12.9091
Above Rs.50,000	40	11.8500
Total	282	12.8830

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	138.950	5	27.790	3.512	.004
Within Groups	2184.189	276	7.914		
Total	2323.138	281			

Source: Primary data Processed using SPSS 20,
*Significant at 5% levels

Table 3: Result of Mean values and ANOVA-Monthly income and Mental Accounting Bias

	N	Mean
Less than 1 year	53	13.1509
1-5 years	123	13.0325
6-10 years	42	13.3571
11-15 years	31	11.3226
Above 15 years	33	12.7576
Total	282	12.8830

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	95.716	4	23.929	2.701	.031
Within Groups	2453.919	277	8.859		
Total	2549.635	281			

Source:Primary data Processed using SPSS 20,
*Significant at 5% levels

Table 4: Result of Mean values&ANOVA-Experience&Loss Aversion Bias

	N	Mean
Less than Rs.25,000	32	11.5313
Rs.25,001-Rs.50,000	71	13.1831
Rs.50,000-Rs.1,00,000	84	12.2619
Rs.1,00,000-Rs.1,50,000	47	12.7660
Above Rs.1,50,000	48	13.3333
Total	282	12.6773

Anova					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	91.998	4	23.000	2.855	.024
Within Groups	2231.140	277	8.055		
Total	2323.138	281			

Source:Primary data Processed using SPSS 20,
*Significant at 5% levels

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“Recovery of Non-performing assets- A challenge for Indian Financial Institutions”

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Abstract:

The financial institutions or the banks involve in the lending activities with the aim of generating some returns instead that the banks need to wait for many a time to get interest payment by the borrowers, because the borrowers were not running with the good. This leads to banks have a positive growth of the NPAs and negative growth of the profit since the NPAs ultimately affect the profit. These NPAs will not only affect the profit but also give birth to so many problems, such as problem in liquidity, loss of shareholders interest, capital in adequacy, insolvency, etc., there should be a strict requirement of strict action to be taking on control and recovery of the NPAs. An attempt was made to understand the reasons contributed for the NPAs and impact of NPAs on the banks as well as on the market, and also to give possible suggestions for the recovery of NPAs. For the purpose of the study secondary data was collected from the SBI and Canara Bank website about the statistics of the NPAs and also referred articles and journal. The findings of the study reveals that improper recovery channels and the unpredictable market trends make the borrowers not to make the settlement, for that it is suggested that to formulate the effective strategies so that the smooth recovery can be done, and also recommended to use the following suggestions which are listed below for the betterment of the banks in recovery of NPAs.

Key words: NPAs, SBI, Canara Bank, Financial Institutions, Recovery.

1. Introduction:

Non-performing Assets sounds for the assets or the debt instrument which will not generate any income. It is also consider the any assets which stop providing profit to its investors after a specified period, generally that specified period of time is 90 days. For instance, suppose ICICI bank offers loan of Rs 5 crores to a company for an interest rate of 12% per annum. If the market support for that company was good and company possible to make the interest payment and later due to some reasons company not able to make the interest payment for 90 days. In the case, a loan offered to that company will be considered as NPAs, which is the biggest challenge for the Indian financial system.

The Indian Financial institutions are the composition of both banking and non-banking financial institutions. These financial institutions plays very crucial role in the financial system of the country to facilitate the financial requirements in the economy by transferring the fund from Surplus to deficit areas. Surplus is the area or the platform where excess of the fund is available which called Banking and non-banking institutions and the deficit is the platform where financial requirement is available such as individuals and industries. When the financial institutions works good in distribution of finance in exchange of interest on the basis of certain rule and regulation, the people or the industries who has taken financial assistance from the financial institutions fails to meet the

interest payment requirement after specified period of time then it becomes the Non-performing assets. The asset or the debt instrument was blocked will not generate any income or returns from the borrowers to lenders due some technical, corporate and market reasons, Now the recovery of the NPAs become challenge for the lender or financial institutions because once asset of the lender blocked in the form of NPAs it's a very toughest job for the financial institutions to overcome that and make companies to pay the regular interest and instalments.

2. Literature review:

Rasmi Rekha Bhuyan and Dr Ashok Kumar Rath (2013), made a study on "Management Perspective of Non-performing Assets: A Challenge for Indian Banking Sector in the Post Economic Reform Era" with the intent to study the factors contributing to NPAs, Magnitude of NPA, reasons of NPA and Management of NPA in the Indian banking sector. Beside this the intent was also made to find out the ratio of NPAs relates to public sector and private sector. To achieve the state objectives in the article the author has collected primary data by distributing questionnaires and through personal interview and also secondary data has been collected. The statistical tools such as percentages and trend analysis used for the purpose of the study. The study reveals that the trend of NPAs in the year 2013 was increases year by year and gross NPA to gross advances was also increased in Public sector banks and in case of the private banks and foreign banks the NPAs was decreased. And the study recommends the Indian banks to take care of the credit worthiness of the customers to ensure prevention of the NPAs.

Yeruva Priyanka and Ch. Rajesh Kumar (2019), Made a study on "Non-performing Assets of Commercial Banks and its Recovery in India" with the purpose of understanding the NPAs status and Trends in Indian Schedules Commercial Banks also to understand the factors affecting increase of NPAs and reasons

impact on the recovery of the NPAs. The study was completely based on the secondary data and descriptive in nature. The outcome of the study disclose that the NPA impact the performance and profitability of the banks and suggested to the government to create more provisions for proper recovery management and reduction of NPAs.

Mr Amit Kumar (2014), made a study on "Non-Performing Assets: A Challenge before Banking Sector in India" with the aim of assessing the problems affecting the management of NPAs and remedies taken by the banks to overcome the same. For the purpose of the study secondary data was collected from the RBI Website for the period of around six years, and mean, standard deviations and t-test was used applied for the statistical analysis of the collected data. The outcome of the study reveal that as total gross advances increased there is a probability to increase the NPAs. The study able to recommend that there is a requirement of the effective practices in banks in managing NPAs.

Sudin Bag and Sajjilul Islam (2017), Made a study on "Non-Performing Assets A Biggest Challenge in Banking Sector- Comparative Study Between Indian and Bangladesh Banking Sector" with the purpose to analyse the recent trends in the NPAs in banks with reference to Indian and Bangladesh and also to find out the relationship of NPAs with the profitability. For the purpose of the study secondary data was collected from the reports and website of RBI and state owned and private banks of Bangladesh. The author concluded that the growth of NPAs in public sector banks of both India and Bangladesh is in increasing trend, and private sector banks were more conscious about the NPAs.

Divya Jain and Ravindra Kumar Saini (2015), Made a study on "Non-Performing Assets Recovery Channel: An Assessment of Securitization Act 2002" with aim to assess the performance of the Securitization Act 2002 as most effective recovery channel. For the purpose of the

study secondary data has been collected from various sources and standard deviation, ratio analysis, graphs, tables were used to analyze and represent the data. The findings of the study disclose that the recovery of NPAs has been a greater challenge for the Indian banks and also worldwide. Increase of NPAs negatively affect the various operations such a liquidity, profitability, solvency, lending etc. And it recommends the RBI to take serious action against this.

Priyanka Gupta and Surender Kumar (2019), Made a study on “Non-Performing Assets: A Serious Challenge to Indian Banks” with the objective to understand the concept of NPAs, causes and its impact on profitability. To achieve the stated objectives of the study secondary data was collected and the study is descriptive in nature. The study discloses the various factor affects the increase of the NPAs in banking sector and also reveals the preventive measures for the reduction and recovery of the NPAs in the banking sector.

Manoj Kumar Sahoo and Dr. Muralidhar Majhi (2020), Made a study on “The Recovery Management System of NPAs-A Case study of Commercial Banks in India” with the aim of analysing the various recovery mechanisms of NPAs with three important wings such as Recovery through Lok Adalat, Debt Recovery Tribunals and Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act(SAFASEI). The study was completely based on the secondary data collected from the reports and websites. ANOVA was used to analyse the statistical data. As per the statistical analysis made in the study, the author concluded that present recovery channels are not sufficient to deal with the problems encountered by the banking sector in recovery of the NPAs.

3. Objectives of the study:

- To determine the challenges faced by the financial institutions in recovery and reduction of the NPAs.

- To understand NPA as the major factor affecting the banking operation to become difficult.

- To provide necessary suggestions for the problems encountered by the financial institutions in recovery of NPAs.

4. Research Design

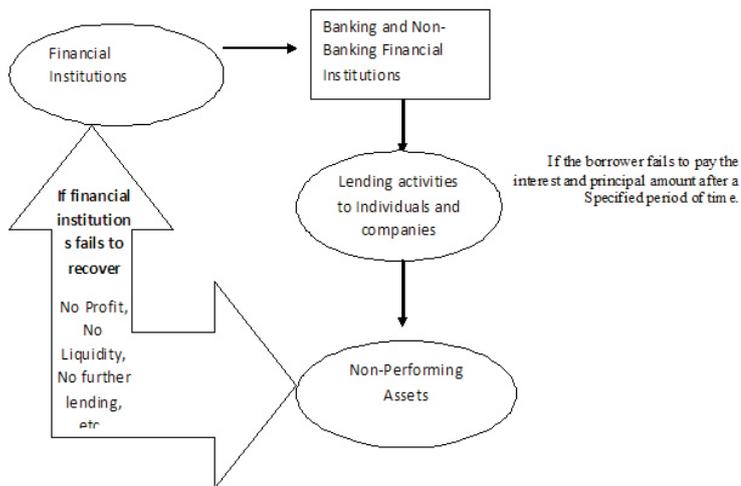
For the purpose of the study, the secondary data is considered from the article, Report and website. The type of the study is descriptive in nature. The study focus on the NPAs of the financial institution or the banks. The conceptual scope of the study reveals frame work NPAs, and SBI and Canara Bank NPAs were practically analysed. For that purpose the statistical data of SBI and Canara Bank was collected about Five years from 2016 to 2020. The finding and suggestion is based on the collected data from the website as well articles and journals.

5. Results and Discussion

5.1 Non-Performing Assets:

Non-Performing Assets is the biggest threat to the financial system of the country, especially for the financial institutions. The financial institutions are the platform to distribute the fund over the country for the needy people, and industries, if the funds offered by the financial institutions will blocked if the borrower fail to repay the interest as well as the principal. The concept of the Non-Performing assets becomes the challenge for the financial institutions, and it is essentially required thing for the financial institutions for further financial operation, because the actual job of the financial institutions is, recycling the fund for other customers, if the fund is blocked, then the financial institutions will not able to lend for others, difficult to liquidate the available assets, to generate the returns, raise the fund for lending activities. Below table clearly shows the reasons for NPA's for the financial institutions in view of this.

Table:5.1 Creation of NPA's in Financial Institutions



5.2 Classification of NPA's

The Financial institutions generally grant the grace period before categorize an asset as non-performing. After that the financial institutions or the lender will classify the NPA into the following sub-categories.

1. **Standard assets:** Assets due for 90 days to 12 months, with a normal level of risk.
2. **Sub-standard assets:** Assets due for more than 12 months significantly at higher level of risk. Usually to such NPAs market value reduced because those NPAs are less certain that the borrower will eventually repay the full amount.
3. **Doubtful Debts:** Assets have been due for at least 18 months. Lender has the serious doubts that borrower will repay the full loan. This category of the non-performing assets critically affects the banks risk profile.
4. **Loss Assets:** These are Nonperforming assets with extensive period of non-payment. By these assets banks forced to accept that the loan will not be repaid and accept the loss and need to record the loss in the balance sheet.

5.3 Impact of Non-performing assets:

The problem of the NPAs in the financial system of the country becomes the unsolvable threat, and is a biggest challenge to the financial system to resolve it to avoid its impact on the entire system. The challenge to the financial system is not to reduce the NPAs and its recovery but also to protect the entire system or economy from the impacts such as loss, increase of risk, reduction of the shareholders confidence and interest in order to maintain profitability and liquidity, liability management, capital adequacy and protection shareholders confidence and interest.

Financial institutions: Financial institutions are the source to transfer the fund from the surplus to the deficit areas also the presence of the financial institutions brings the real meaning to the financial system in terms of creating and providing the variety of instruments as a tool for the lenders and borrowers to financial transactions to take place. Financial institutions are most appropriate in serving the specific needs and services to the customers. Financial institutions involve the banking and non-banking institutions, such as central bank, commercial banks, and Non-banking financial institutions. These financial institutions use to transact in the financial markets as well with the purpose to raise the fund for financial transactions also indulge into financial loss by having creation of the Non-performing assets due to failure of the borrowers to repay back to the financial institutions. There is a highest level of risk facing by the financial institutions in terms of the Non-performing assets, which is due from pas many months and associated with the significant risk.

5. Results and Discussion:

The following is the level of Non-performing assets of the State Bank of India and Canara Bank.

Table:6.1 Gross and Net NPA's for five Years of SBI

NPA RATIOS :	MAR 20 (NRS CR)	MAR 19	MAR 18	MAR 17	MAR 16
i) Gross NPA	149,091.85	172,750.36	223,427.46	112,342.99	98,172.80
ii) Net NPA	51,871.30	65,894.74	110,854.70	58,277.38	55,807.02
i) % of Gross NPA	6.15	7.53	10.91	6.90	6.50
ii) % of Net NPA	2.23	3.01	5.73	3.71	3.81
Return on Assets %	0.38	0.02	-0.19	0.41	0.46

Source: moneycontrol.com

Analysis and Interpretation: The Gross NPA and Net NPA from the year 2016 to 2018 drastically increase, and from the year 2018 to 2020 it was decreased. The % of Gross NPA and Net NPA was increased from the year 2016 to 2018 and the % of Gross NPA and Net NPA was decreased from the year 2018 to 2020. The return on Assets in terms of percentage was highest in the year 2016 and it was decreased immediately in the year 2017, in the year 2018 the return on Asset was at loss and in the year 2019 and 2020 it was slightly increased. In the below table an attempt is made to forecast NPA's for five years by using regression equation.

Table 6.2 Computation of Regression Equation (SBI)

Year	Net NPA (y)	Time Deviation (x)	Square up TD (x ²)	XY
2016	55,807.02	-2	4	-111,614.04
2017	58,277.38	-1	1	-58,277.38
2018	110,854.70	0	0	0
2019	65,894.74	+1	1	65894.74
2020	51,871.30	+2	4	103,742.6
n=5	?y=342705.14	?x=0	Ex ²	?xy=207739.28

By using regression equation Y=a+bx

$$a = \frac{\sum y}{n}$$

$$= \frac{342705.14}{5}$$

$$= 68,541.028$$

$$b = \frac{\sum xy}{\sum x^2}$$

$$= \frac{207739.28}{6}$$

$$= 34,270.514$$

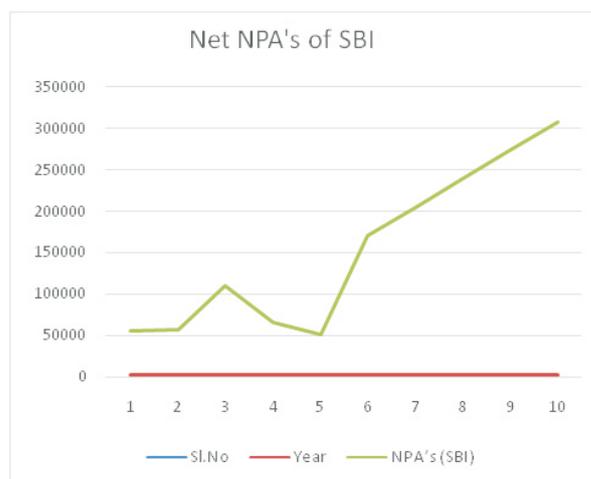
Table 6.3 : Projected NPA's for next five years based on Straight-line equation

Year	Equation	Projected NPA's (in Crores)
2021	68541.028+34270.514(3)	171,352.57
2022	68541.028+34270.514(4)	205,623.084
2023	68541.028+34270.514(5)	239,893.598
2024	68541.028+34270.514(6)	274,164.112
2025	68541.028+34270.514(7)	308,434.626

Hence, NPA's for 10 Years will be as calculated and shown below.

Table and Chart 6.4: Projected NPA's of SBI for 05 Years

Sl.No	Year	NPA's
1	2016	55,807.02
2	2017	58,277.38
3	2018	110,854.70
4	2019	65,894.74
5	2020	51,871.30
6	2021	171,352.57
7	2022	205,623.084
8	2023	239,893.598
9	2024	274,164.112
10	2025	308,434.626



Interpretation: Above table and chart depicts the projected NPA's from the year 2021 to 2025. There is a increasing trend identified, this is because of policy issues and other internal factors of the bank. Therefore, it is suggested to the bank that they have to strengthen their recovery management policies and strategies, lending policies should be strengthen to avoid default repayments. Below table clearly shows the five years NPA's of CANARATable:6.5 Quantitative data for Five years of NPA's of CANARA Bank bank.

Table:6.5 Quantitative data for Five years of NPA's of CANARA Bank

NPA RATIOS :	MAR 20 (IN RS CR)	MAR 19	MAR 18	MAR 17	MAR 16
i) Gross NPA	37,041.15	39,224.12	47,468.47	34,202.04	31,637.83
ii) Net NPA	18,250.95	22,955.11	28,542.40	21,648.98	20,832.91
i) % of Gross NPA	8.21	8.83	11.84	9.63	9.40
ii) % of Net NPA	4.22	5.37	7.48	6.33	6.42
Return on Assets %	-0.32	0.06	-0.75	0.20	-0.52

Source: moneycontrol.com

Analysis and Interpretation:

The Gross NPA and Net NPA of Canara Bank was at the increasing trend from the year 2016 to 2018, and Gross NPA and Net NPA of the Canara Bank was at decreasing trend from the year 2018 to 2020. The increasing trend of the Gross and Net NPA describes that the Canara bank is at the risk because the level when the level of NPA increased the return on assets decreases. The % age of the Gross NPA and the Net NPA was also increased during the years 2016 and 2018; it was decreased during the year 2018 to 2020. The return on Assets was at loss in the year 2016 and the return on asset was recovered in the year 2017 but in the year again the loss and immediately after that in the year 2019 little returns the bank has received and after again in the year 2020 the bank undergone for the loss of (-0.32). These variations in the returns on asset was not good for the banking business because literally banks needs

the returns on the assets for further banking operations. And every financial institution expect the increasing growth in term of the returns on assets if it not able to recover the interests from the borrowers it becomes the threat for the lending activities and this leads to the creation of the so many problems such liquidity, capital inadequacy and loose of the shareholders and many other. This leads to the problem of insolvency at the highest level of risk. Table 5.3 depicts the calculation of NPA's for next five years by using regression equation.

Table 6.6 Computation of Regression Equation (CANARA)

Year	Net NPA (y)	Time Deviation (x)	Square-up TD (x ²)	XY
2016	20832.91	-2	4	-41665.82
2017	21648.98	-1	1	-21648.98
2018	28542.40	0	0	0
2019	22955.11	+1	1	22955.11
2020	18250.95	+2	4	36501.9
n=5	?y=112230.35	?x=0	Ex ²	?xy=-3857079

By using regression equation Y=a+bx

$$a = ? y/n$$

$$= 112230.35/5$$

$$= 22446.07 = 11223.035$$

$$b = ? y/x^2$$

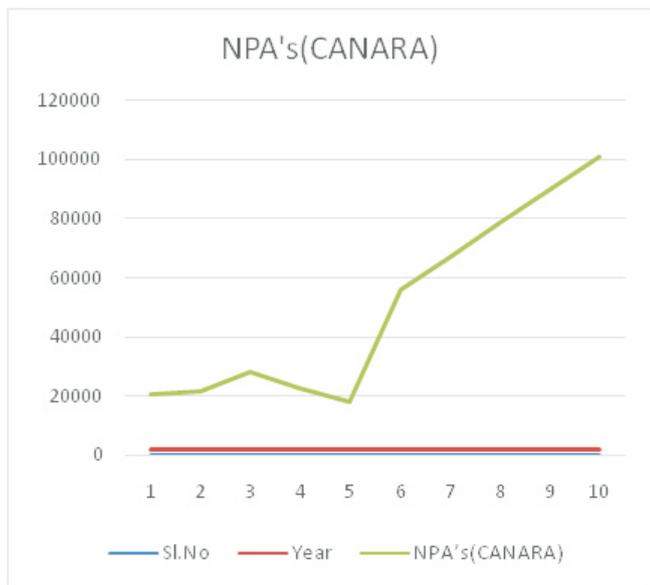
$$= 112230.35/10$$

Projected NPA is for next five years based on Straight-line equation

Year	Equation	Projected NPA's (in Crores)
2021	22446.07+11223.035(3)	56115.175
2022	22446.07+11223.035(4)	67338.21
2023	22446.07+11223.035(5)	78561.245
2024	22446.07+11223.035(6)	89784.28
2025	22446.07+11223.035(7)	101007.315

Table: 6.6 NPA for 10 Years will be (CANARA)

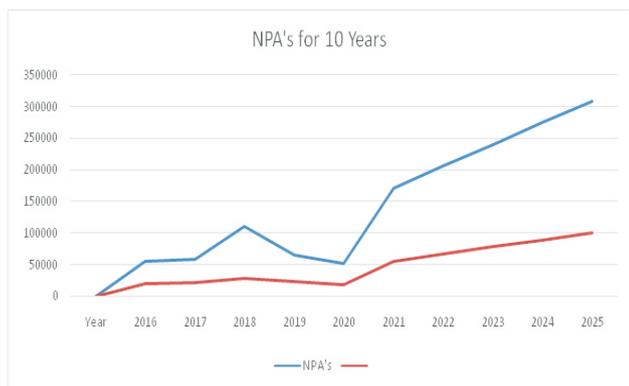
Sl.No	Year	NPA's
1	2016	20832.91
2	2017	21648.98
3	2018	28542.40
4	2019	22955.11
5	2020	18250.95
6	2021	56115.175
7	2022	67338.21
8	2023	78561.245
9	2024	89784.28
10	2025	101007.315



Interpretation: Table and chart above portrays the projected NPA's from the year 2021 to 2025. Year by year it is increasing due to some reasons like policy issues and practices adopted by the bank. Hence it is suggested to the bank that the policy issues should be developed to manage and reduce the NPA's.

Table and Chart 6.7: Comparison of NPA's of SBI and CANARA

Sl.No	Year	NPA's	
		SBI	CANARA
1	2016	55,807.02	20,832.91
2	2017	58,277.38	21,648.98
3	2018	1,10,854.70	28,542.4
4	2019	65,894.74	22,955.11
5	2020	51,871.30	18,250.95
6	2021	17,1352.57	56,115.17
7	2022	2,05,623.08	67,338.21
8	2023	2,39,893.60	78,561.24
9	2024	2,74,164.11	89,784.28
10	2025	3,08,434.63	1,01,007.32



Interpretation: Above table and chart represents that comparison between the NPA's of SBI and CANARA. When compare to CANARA bank in SBI it is represented more NPA's over the years, and increasing too. This may because of policy issues of the banks.

7. Major Findings:

As a part of the research problem related to the NPAs, there are so many findings, which we come through, and requires the serious attention on it.

- The reason for the increasing ratios of Non-performing Asset is the improper recovery channel of the banks as well as the financial institutions, which involves in the financial operations.

- Market conditions or trends are very unsure and the financial institutions, borrowers were completely unaware about it. The thing is that the financial institutions and the banks use to lend the fund by keeping in mind the project of the borrower, life of the project, financial position, background of the borrower, credit worthiness of the borrower and many other criteria's but it will not consider the future trends or the future market conditions which lead to hamper on the business operation of the borrower, then the borrower fails to make the payment. In addition, the future is unpredictable so that this unpredictable future becomes threat for the proper decision making in consideration borrower to borrowers the fund.

- The increase of the NPAs definitely leads to the birth of various problems, and those problems ultimately effects the financial well-being of the lender.

- There is a variation in the return on assets of the banks or financial institutions and the major reason for this variation is the variations in the NPAs, which means the increase or decrease of the NPAs. Where it comes to the return on asset, that should be in increasing

trend but as per the data taken from the SBI and Canara Bank these banks return have makes the differences in terms of growth over the years, and those differences were not healthy differences.

- It is difficult to accept that the rate of NPAs increasing in the banks and financial institutions because there is a probability that this increasing NPAs are malpractices.

- Financial market condition becomes worst as NPAs are much, because if more NPAs no profit and if no profit supply of fund come down and if supply low huge demand for the fund and the cost on raising fund will become higher., this leads create chain on the entire economy.

8. Suggestion:

The banks need to stop the lending activities when it finds the level of NPAs are increasing and can start lending activities once after existing NPAs were recovered, by this activity at certain level banks can maintain the stability in the financial conditions.. If it is into continues lending activities after facing the Increase of the NPAs this makes the banks into losing of the available fund, which certainly leads to creation of many difficulties.

Banks and financial institutions need to focus on the strategy formulation for the recovery of the NPAs in terms of formulating the proper recovery mechanism.

There are some preventive measures, which we suggest for the banks and financial institutions.

- Stop doing the lending activities when the banks or financial institutions find the rate of NPAs are increasing and try to do the financial operations in term of other financial products other than lending activities for a certain period of time to ensure the financial stability, but that break from lending activities is only for specified period of time but not more

than that.

- Before lending to the borrower better, go for checking the credit worthiness of the borrowers or the companies.

- When the bank or financial institutions finds that the company or the borrower is having delay in the payment, it is definitely a signal that the company going to create the NPAs for the banks. This signal needs a serious care to avoid the creation of the NPAs. The banks or the financial institutions try to fix problem of the company or the borrower because this problem is the reason for that delay in payments.

- The lender need to involve in the business activities of the borrower in the ways of promotional activities, project selection, product development and many other activities of the borrower, which definitely reduce the problems of the company, and there will be no technical and administrative problem and definitely leads to avoid the delay in payments.

- Banks need to go for follow up activities frequently to ensure healthy business environment of the companies or borrowers.

- Financial institutions or banks need to be attentive in addressing the problems facing by the borrowers so that the immediate action can take to that immediate problem to ensure the financial well-being of the borrower.

- The central bank need to strengthen the supervisory and monitory activities so that the banks cannot be indulged into malpractices.

- The banks or the financial institutions need to adopt the target based lending strategy for a year do that level of NPAs may reduce to the small extent. For eg: the banks should limited the fund lending for only 100 crores in a year, by that case banks will not go for further lending because the target is of

lending 100 crores. If banks having excess of fund then also it will not able to lend then in that case lending activities will stop in that year and it will resume once after completion of that particular financial year.

- It is better if the banks go for outsourcing the payment by Agent Company in that the agent company on behalf of the borrower can make manner the regular payment and borrowers will be charged with the extra fund for Agent Company.

- Regular inspections and auditing will be done to both borrower and the lender by the RBI in that case there would be accountability and the cooperation between the RBI and the banks, and bans with the borrower in order to be aware about the financial condition, problems, and the initiatives of the borrowers as well as the banks.

9. Conclusion:

The increase of the NPAs is no healthier for the banks. Profit is the major motive of the every business operation and even for the banking operation as well. The profit is the most affective part in the banks as well as the financial institutions due to the NPAs. The present study also reveals the same that profit was affected due to the NPAs. The reasons for increasing the NPAs are many but the most affective reason that leads to the birth of many other reasons is the strategies or practices. And the effective strategy is the one which can face many problems even if the extent of affecting that problem on banking business is bigger. I recommend the banks to give more attention on the strategy formulation or development of practices. There should be competitive nature among the banks or financial institutions in recovery of the NPAs and link the recovery of loan with the performance of the bank employees so that innovative methods can develop by bank employees for recovery of NPAs, because ultimately employees need to perform well.

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The manuscript should have a Title Page, Abstract with Key Words, Introduction, Material and Method, Results and Discussions, Conclusions and Acknowledgment followed by references.

- Manuscript length should be between 4000-5000 words including figures and tables, typed in double – space and printed in 12 point Times New Roman font on 8.5” x 11” (A-4) size paper with 1.5 inch margin on all four sides. All pages should be numbered consecutively.
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