

# E-NEWSLETTER      APRIL 2021



## UNIVERSITY OF MUMBAI

### DEPARTMENT OF COMMERCE

Vidyanagari, University of Mumbai, Kalina Campus,  
Mumbai 400098 Maharashtra

**DIGITAL  
TAX**

**YIELD CURVE &  
INFLATION**

**HOSPITAL SERVICES  
COSTING**

**'WOMEN'  
ROLE IN  
GOVERNANCE**

**UNIVERSAL  
HUMAN VALUES**

**CHANGING EDUCATION  
LANDSCAPE**

**BLOCKCHAIN  
TECHNOLOGY**

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# Changing Trends and Career in Commerce Education

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(An autonomous body under Ministry of Tourism, Govt of India)

Due to changing global dimensions of socio-economic conditions, Commerce education has also entered into a new era. Indeed, it is a high time when commerce teachers and students are needed find out new ways and means for their academic development and career growth. The specialized area in Marketing, Product development, Strategy formation, Business economics, Financial and cost accounting, Taxation and auditing, Business finance and law, along with the niche areas like Tourism management, Event management, Hospitality management, Mass communication, Health management etc. (Spa, wellness) provide new horizon to the commerce fraternity.

Vocationalization and professionalization in these niche areas have further accelerated the demand for trained manpower at grass route and middle level management. Skill oriented short-term courses are more in demand in the changing corporate scenario. Emerging business hub in Hyderabad, Bengaluru, Noida, Gurugram, Ahmadabad, Silvasa and Indore have much potential to absorb such newly trained workforce.

Therefore, this is the high time when industry involvement in the board of studies as well as practical exposure to the students with more visiting faculty lectures from trade representing medium and small enterprises could provide creative and innovative ideas to the commerce students in order to encounter the challenges and to initiate their own startups in the emerging areas.

# **Universal Human Values: An Innovative Initiative by the All-India Council for Technical Education for promoting an Inclusive World View.**

By Dr. Minu Mehta, Professor and Head Academics, IESMCRC, Mumbai

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## **Introduction**

Modern education systems across the world aim at developing and strengthening domain expertise of the students which then is tested through assessment tools like written and oral examinations and performance in task based practical tests. Students are deemed successful upon the proof of predetermined rubrics which certifies their capability at understanding and mostly reproducing and at times, applying, theoretical constructs taught during the course. While this method has produced skilled engineers, doctors, lawyers and managers, it has done precious little to ensure that these graduates have a well-developed moral compass that helps them to navigate the rough seas life throws them into. Even a cursory look at the events of recent times proves that the world today is a much more toxic place than it was, say, in the last century. Human strife, wars, persecution, terrorism and fundamentalism are on the rise, along with falling water tables, polluted air, soil and sea, melting glaciers and disappearing species of flora and fauna. We are sick people living on a sick planet. As educators, we have failed ourselves and our students. Given this context, a tiny beginning has been made by the All India Council of Technical Education (AICTE), to redefine the role and purpose of education in India, by introducing a mandatory three credit course titled Universal Human Values (UHV), to be taught in all technical undergraduate degree programs in domains like engineering, medicine, pharmacy, architecture, law and management, to quote a few. Under the New Education Policy announced by the Government of India, teaching of UHV has been extended to undergraduate degree programs in science, commerce, arts, social sciences and humanities. The authors belong to the early cohorts of teachers trained to deliver UHV and

this submission is based on the various student and faculty training workshops conducted by AICTE, and different Universities and Colleges across India, where they have worked in various capacities.

## **UHV: Mirroring the Self in the Other**

UHV takes the students to an inner journey of self-exploration by presenting before them proposals that prod them to think and reflect. By making the explicit announcement that no student is supposed to accept anything being discussed in the class, that each statement is a statement of probability, the acceptance or rejection of which depends on the student's verification of the proposal, UHV, at once challenges the traditional prescriptive pedagogies that reduce the student to a passive learner. Free from the stress of accepting whatever is doled out to them by the teacher, the students now become active thinkers and empowered learners who are responsible for their own conclusions. Henceforth, discussions on complex human realities related to happiness and prosperity, purpose of life, impact of human actions on the larger environment and the possibility of an undivided human society, become interesting interactions enriched with personal anecdotes and reflections. As the discussions turn deeper, with more clarity, emerges the simple truth that there actually is no difference between the 'Other' and 'Self'. The students are thus able to realize the folly and needlessness of toxic human actions in all arenas of life, ranging from trolling the 'other' on social media, to planning and executing projects that aim to declare only one ideology, religion, world view and philosophy as the right choice, thereby, swiftly categorizing all else, as the 'other' and therefore, incorrect, lowly and ill-founded.

UHV is based on the premise that at the level of purpose, programme and potential, all human beings are the same, since each one of us aims at continuity of happiness and prosperity. Further, it encourages the students to see for themselves, the inability of mindless pursuit of material growth to lead to this aim. With a redefinition of prosperity, as having a little more than your own needs, the students are able to experientially understand how their own actions relate to their shopping behaviour, daily energy consumption and celebration of festivals and events are impacting them, their families, the larger society and nature itself, making them co-destroyers of the fragile health of the planet. They begin to understand that change is possible only if they opt for the path of collaboration instead of the current strategy of personal achievement based on competition. With this realization, identity markers related to race, gender, religion, nationality, and ideology appear hollow and the futility of convincing the ‘other’ of one’s superiority gets replaced by the new understanding of excellence, which is living in harmony at the four levels of self, family, society and the entire existence in all its richness and diversity.

### **Implications**

UHV has the potential to bring about a paradigm shift in the prevalent world view. By targeting the higher education segment, AICTE has attempted a top-down approach in cultural shift. Since the students of higher education are much closer to taking up full time careers and professional engagements, compared to other students, say, in schools, they become the conduits for the

dissemination of UHV principles among corporates and businesses. Since these students are also close to setting up families of their own, they become the enlightened parents for the future generation. Similarly, teachers in higher education also become effective influencers for their colleagues, students, managements, families and societies. Though initially focused on higher technical education, the UHV curriculum is now to be provided to all undergraduate and postgraduate students including those in the streams of arts, commerce and science. As these students climb up the ladder in corporate and businesses, it is hoped that they will be able to institutionalize UHV within the policy frameworks and processes. While not an easy task, it is possible that once the critical mass is reached, there is a wide acceptance of substitution of material aspirations with that of a life based on continuity of happiness and harmony.

### **Conclusion**

Though an initiative of recent origin, UHV seems to have aroused a great deal of interest, curiosity and engagement among the academic fraternity. During the corona mandated lockdown, AICTE has completed training some 28000 University and College teachers across India through intensive five-day workshops. These teachers have now started delivering the UHV content in their respective institutions and have reported a positive response from the student community. It is hoped that in the coming times, as more and more students get exposed to UHV, we will soon be able to nurture a generation of new professionals whose skills are grounded in values.

# EQUALISATION LEVY: A BRIEF OF LEGAL PROVISIONS AND ISSUES INVOLVED.

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## BACKGROUND

The levy of direct tax on the income of corporate assesseees having global presence has always been a subject fraught with many practical considerations. The Income Tax Act, 1961 in force in India provides for taxing the global income of its 'residents' and certain income of non-residents as per the scope mentioned under Section 5. A company, under Section 6 of the Act, is said to be a resident in India in any previous year, if (i) it is an Indian company; or (ii) its place of effective management, in that year, is in India. The "place of effective management" has been defined as a place where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are, in substance made. Further, Section 9 of the Act provides for 'income deemed to accrue or arise in India' on which the tax is required to be paid by non-resident businesses as well. To grant relief to corporate assesseees and help them avoid paying taxes on same income in two different jurisdiction there are tax treaties or double taxation avoidance agreements being signed between countries. After all these efforts still there are loopholes being exploited by corporates whereby, they undertake 'treaty shopping'. These companies establish the head offices in the tax havens or jurisdictions where minimum tax is levied and pay no or less taxes than what otherwise they would have been liable for. This has led to the erosion of tax base of countries and shifting of profits to no tax jurisdictions affecting the revenue collections of the sovereigns.

To aggravate this situation the businesses which have now gone online has overwhelmed the tax authorities across jurisdictions about the mechanism of levy and collection of tax from such omnipresent assesseees. Due to technology, it is possible that the business is registered in one country, having customers in other countries, delivering the products and services over satellites

in space which could practically be loitering above any jurisdiction at any point of time. The question arising then is which jurisdiction should tax such businesses, how should the point of taxation be determined and when and how to collect the taxes. Also, the rise of tech giants doing business and earning revenue which remains untaxed has led jurisdictions to take action to enable a level playing field to protect the domestic businesses. Due to ambiguity around taxation of online transactions and assesseees escaping the provisions of the present income tax act as well, Government of India sought to levy a direct tax on any specified service called as 'Equalisation levy' and introduced Chapter VIII [Sections 163 to 180] in the Finance Act, 2016.

It is noteworthy that this levy is in consonance with what is enumerated in the Base Erosion and Profit Shifting (BEPS) package of Organisation for Economic Cooperation and Development (OECD), that Countries now have the tools to ensure that profits are taxed where economic activities generating the profits are performed and where value is created. And India is not the only country to tax these digital companies. Poland, France, UK, Australia and many other countries have levied a digital tax on the online transactions generating revenue for the non-residents in their jurisdiction.

## LEGAL PROVISIONS

### ❖ Equalisation Levy (EL) 1.0

Chapter VIII Equalisation Levy was introduced in the Finance Act, 2016 extending to whole of India except the State of Jammu and Kashmir. Section 165 provides for an equalisation levy of 6% for 'any specified service' provided by a non-resident and the amount of consideration is received or receivable from

- (i) a person resident in India and carrying on business or profession; or

(ii) a non-resident having a permanent establishment in India.

'Specified service' means online advertisement, any provision for digital advertising space or any other facility or service for the purpose of online advertisement and includes any other notified service.

There are exceptions being made in three cases where the equalisation levy shall not be charged:

- a) where non-resident has a permanent establishment in India and services are in connection thereof
  - b) the aggregate amount of consideration does not exceed Rs. 1,00,000
  - c) the payment for specified service is not for the purposes of carrying out business or profession.
- Such equalisation levy has to be deducted by the payer in India and paid to the credit of the Central Government by the 7<sup>th</sup> day of the subsequent month.

#### ❖ **Equalisation Levy (EL) 2.0**

The scope of equalisation levy was broadened in the Finance Act, 2020 by including under its ambit the consideration received or receivable for e-commerce supply or services made, provided or facilitated on or after the **1st day of April 2020**. A new Section 165A has been inserted whereby it seeks to charge equalisation levy at the rate of 2% on a *non-resident* e-commerce operator who owns, operates or manages digital or electronic facility or platform for online sale of *goods* or services or both *To*

- (i) a person resident in India
- (ii) a non-resident in the *specified circumstances*
- (iii) a person who buys such goods or services or both using internet protocol address located in India

*Specified circumstances* mean

- (i) sale of advertisement, which targets a customer, who is resident in India or a customer who accesses the advertisement through internet protocol address located in India; and
- (ii) sale of data, collected from a person who is resident in India or from a person who uses internet protocol address located in India.

The equalisation levy shall not be charged where:

- a) the non-resident e-commerce operator has a permanent establishment in India and supply/services are in connection thereof
- b) equalisation levy is leviable under section 165 (EL 1.0)
- c) sales/turnover/gross receipts of e-commerce operator from such supply/services are less than two crore rupees during the previous year.

Such equalisation levy shall be paid by every e-commerce operator to the credit of the Central Government on a quarterly basis.

EL 1.0 was infamously referred to as the 'Google tax' as it was apparently thought to be introduced only to tax the tech giant for online ad revenues earned at the expense of the Indian consumers and their data. EL 2.0 has further spread its wings to now include the goods which are supplied over the electronic platform of the non-resident e-commerce operator. All of this together has led to criticism of the levy by the tech giants and foreign e-commerce players as a unilateral taxation measure by India which is discriminatory against them. It is also criticised that EL 2.0 was brought in hastily without stakeholder consultation and also without any explanatory statement or memorandum in the Finance Bill. The US which houses most of these digital companies is especially unhappy about the levy and also has initiated probe against countries that levy a digital tax, including India. It has been countered by Indian tax authorities that the equalisation levy does not discriminate against companies based in the US as it shall be paid by **all** non-residents providing *specified services* or supply in *specified circumstances*.

It is about time this debate is brought to conclusion and a harmonised mechanism is drafted and agreed upon to by all countries. For this it is imperative that the principles enunciated in the action plan (1) of the BEPS inclusive framework are followed. The concrete proposals are presented in the Programme of Work (PoW) which seeks to develop a comprehensive and consensus-based solution.

**Pillar one** proposes the re-allocation of taxing rights in the jurisdictions where customers and/or users are located.

**Pillar two** presents a Global anti-base erosion mechanism to stop the shifting of profits to low or no tax jurisdiction facilitated by new technologies and ensure a minimum level of tax being paid by multinational enterprises.

Hoping for positive development in that direction, we are still faced with certain practical issues that needs to be addressed and the Central Government ought to give clarification on some matters. Some of the issues are discussed below:

➤ **Tax on Gross consideration:**

The equalisation levy is to be charged on the total consideration received for specified services or e-commerce supply/services. It is burdensome for e-commerce operators where they assume the role of aggregators or are just providing a platform for doing business to the residents. For instance, a resident books a property on Airbnb, which is a foreign online marketplace, by paying consideration of Rs. 10,000. This property is in fact owned by another resident Indian who had listed it on Airbnb's platform. Airbnb collects Rs. 10,000 from Indian customer, retains Rs. 2,000 and pays Rs. 8,000 to the Indian property owner. The effective revenue of the foreign e-commerce operator is only Rs. 2,000, however it shall have to pay equalisation levy on the entire amount of Rs. 10,000 collected from the Indian customer. This will impact the cash flows of the e-commerce business. Also, due this additional burden the e-commerce operator may pass on the cost to end consumers which will make the services expensive for the resident users. The situation becomes grave in case of electronic payment gateways owned by non-residents whereby millions of transactions are carried out on a daily basis. Charging and paying equalisation levy on the gross amount of all these transactions will sure prove to be cumbersome and costly for the non-resident e-commerce operator.

➤ **Potential double taxation:**

In the example discussed above the property owner who is a resident shall be considering Rs. 8,000 as his income and accordingly paying income tax on it. Despite this, the foreign e-commerce operator has to pay equalisation levy on entire Rs. 10,000. This leads to taxing the same amount twice, first in the hands of e-commerce operator then the resident person. There should be a mechanism in place to resolve this issue to ensure that the same income is not doubly taxed and e-commerce operator is allowed to charge the levy on its effective revenue.

➤ **No benefit under Tax Treaty:**

Though a direct tax, equalisation levy was introduced separately as part of the Finance Act and does not come under the purview of the Income Tax Act, 1961. The benefits provided under the DTAA or bilateral tax treaty shall therefore not be available on the equalisation levy paid by the non-resident. This leads to additional tax burden on the non-residents of which they cannot avail any benefit while paying taxes in their home country. It may discourage the foreign investment sentiment vital for the economic prosperity of the country.

➤ **Overreaching provisions:**

Equalisation levy has been criticised on the ground that it shall be levied on transactions between two non-residents if the e-commerce supply/service is being delivered using internet protocol address located in India. It will be challenging task for the e-commerce operator to keep a tap on the IP addresses of all its buyers who are present in almost every country. Also, the cyber experts can trick the system and deliberately change their IP addresses to escape the provisions of taxation. The maintenance of such IT infrastructure will involve time and cost for the non-resident e-commerce operator.

➤ **Interpretations issues:**

If an online purchase of goods/services is done by the foreign head office of the company for the entire group and charged back to Indian

subsidiary, will such charge attract the provisions of equalisation levy? Will gross consideration on which levy is to be charged include or exclude other taxes such as GST charged on OIDAR services? Since equalisation levy is not an income tax, how will the benefit of credit be given to the permanent establishment of the businesses in India?

➤ **Global Challenge:**

With several countries emerging with their own separate digital tax levy, which is not necessarily in harmony with other countries tax laws, it has become extremely difficult for the corporates having a worldwide customer base. Complying with different provisions of different countries and paying taxes in each of these countries with no credit benefit being available under the tax treaty has left the digital companies with added costs.

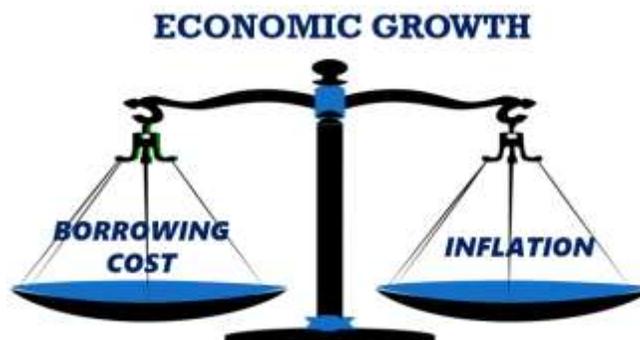
## **WAY FORWARD**

It is argued and rightly so that the digital tax is intended to bring the global giants at par with the domestic companies to prevent from monopoly being created in the market that will be skewed in favour of few biggies. The concern is justified given these giants have the wherewithal to employ the digital infrastructure to exploit the customer data and formulate their business strategies accordingly, which will wash out the domestic companies permanently. Also, the phenomenon leading to the tax evasion and absence of level playing field mandates the sovereigns to articulate a digital tax mechanism in the country unless a global framework is in place. Thus, it has become imperative that a consensus-based solution is developed among the countries about taxing the revenues of such digital companies. The OECD/G20 BEPS inclusive framework must be finalised and agreed to by the countries to resolve this vexed issue and put to rest the concerns of tax authorities across jurisdictions.

# A Brief About Central Bank's Approach in Managing the Yield-Curve and Inflation.

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When it comes to maintaining the financial and monetary stability in the economy even in the turbulent times of the pandemic, the Central Bank of our country is seen to be at the forefront to ensure accommodative policies for the benefit of all stakeholders.

The evidence lies in the Reserve Bank of India's announcement on 7<sup>th</sup> April 2021 in its bi-monthly Monetary Policy statement about Government Securities Acquisition Programme (G-SAP). Under this programme, the central bank shall purchase government securities worth Rs. 1 lakh crore in the first quarter of FY22 with the first purchase for an aggregate amount of ₹25,000 crore under *G-SAP 1.0* to be conducted on April 15, 2021 through auction.

## ***Why does the Central Bank purchase long-term government bonds/securities?***

Government issues bonds/securities in order to raise finance from the public and utilise this money for its planned projects for economic development and growth. These projects are generally of a long tenure catering to sectors like that of infrastructure, real estate, health and education, social schemes and programmes. The public debt so raised comes with the cost of interest to be paid to the buyers of the bonds. In a normal situation, investors expect higher interest rates from a long-term bond due to their enduring commitment sacrificing their liquidity and to

compensate for the inflation in the future. This is usually a sign of economic growth and expansion that pushes up yield for long duration bonds as compared to the short-term bonds. But this continuous steep rise in the yield is not such a good sign for the issuer of bonds that is the Government because consequentially it will have to bear high costs of borrowings which proves to be burdensome. The higher yield expectation also reduces the bond price which may discourage the investors to hold the bonds any longer in anticipation of a further decline in the bond price. Thus, to prevent the yield rise and bond price decline and also to help the Government prevent the surge in the borrowing cost, RBI steps in and purchases the long-term Government securities from the investors. This creates a demand for the long-term securities which decreases the yield, helping the Government manage public debt at a lower interest cost. Investors also get their redemption before the yield declines which allows them to have liquidity and further invest it elsewhere in more profitable investment avenues. The attempt of the central bank here is to flatten the steep rise in the yield curve which makes the government borrowings expensive and causes bonds to trade at dirt cheap prices.

## ***Unintended Consequences!***

Although the decision of the central bank is vital and called for, it may lead to unintended consequences on the economic situation. When

RBI purchases government securities from investors it is injecting money into the economy which increases its supply. This may cause general prices to rise resulting in inflation. Now the central bank has to play its role in the monetary stability in the economy by adopting its credit control techniques. To control inflation in the economy RBI will have to absorb excess liquidity. In order to achieve this RBI may increase the reserve requirement, increase the bank rate or resort to open market operations whereby government securities will be sold in the market. Thus, RBI may sell short-term government securities to suck the excess liquidity from the economy. This phenomenon is called the reverse repo transaction between RBI and banks. Currently, a modified version is adopted by RBI in form of 14-day Variable Rate Reverse Repo (VRRR) following which banks can park their excess funds earning interest rate higher compared to the regular reverse repo arrangement. Resumed in January 2021 under the revised Liquidity Management Framework, after temporary suspension last year, RBI received an overwhelming response at the 14-day variable rate reverse repo auction. Its continuation and decision to conduct VRRR auctions of longer maturity announced at the recent Monetary Policy Committee meeting reassures supportive monetary policy and financial conditions for all the stakeholders.

Thus, it is abundantly clear from these announcements that the Central Bank shall continue its hand holding to balance the economy in the backdrop of the adverse impact of the current crisis and achieve the objectives of smoothening the yield curve and managing inflation.

# A STUDY OF SERVICE COSTING METHODS APPLIED IN MEDICAL INDUSTRY IN PUNE DISTRICT.

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## ABSTRACT:

*After the covid-19 outbreak the Medical and Pharma Industry has become the vital player in the World Economy. It also become the most rapidly growing Industry in the entire World. Therefore, the honest attempt is made by the researcher to study the 'Cost Structure' and 'Surplus Trend' of Medical Industry with the help of the present research. For fulfillment of these primary objectives, all sort of qualitative and quantitative data is collected from variety of Primary and Secondary Sources.*

*The study reveals that both the Variable Costs and Fixed Costs shows a clear upward trend. Further, the Surplus also shows an upward trend during study period.*

**Keywords:** Service Costing, Methods, Fixed & Variable Costs, Surplus etc.

## Introduction

Since, Covid-19 outbreak in the entire world, the Medical and Pharmaceutical Industry has become the most rapidly growing industry in India. Now a day, it has become the most profitable and revenue generating industry.

Therefore, it is necessary to find out and analyse the major Elements of cost in Medical Industry. It is also important to analyse the cost structure and study the trend of the same.

## Objective of the Study

1. To study and evaluate the service costing methods applied in Hospital Industry.
2. To analyse the Cost Structure of Hospital Industry.
3. To ascertain the Trend of costs incurred during last three years.
4. To determine the trend in Surplus during last three years.
5. To find out cost per patient and Surplus per patient.

6. To suggest Reasonable Consultation Fees per Patient.

## Hypothesis of the study

1. The Service Costing Methods and Procedures are appropriately adopted and implemented by the Hospital under study.
2. There is uniformity in the Service Costing Methods and Procedures applied by all Hospitals working in Pune District.

## Scope of the Study

1. **Subject Scope:** The present Research is primarily aimed at finding out the suitability and accuracy of service costing methods used in the Hospital Industry.
2. **Geographical Scope:** The geographical scope of the present research is limited up to Junnar Taluka situated in Pune District.
3. **Period Scope:** This research is exclusively connected with the Period 2017-18 to 2019-20.

## Limitation of the Study

1. This research is entirely based on the information provided by the concern parties hence; there may be possibility of getting misleading information.
2. The most critical thing is sharing the financial information and because of this the related parties are afraid about sharing this information.
3. Another limitation of this research includes the limitation of time.
4. This study is exclusively conducted in Samarth Hospitals; Otur (Pune) hence, the findings of this research cannot be generalized.
5. The concerned staff is not able to devote sufficient time for me because of the additional work burden due to Covid-19.

### Research Design Adopted

The present research is based on a ‘**Case Study Methodology**’. In order to save the scarce research resources like time and money, the researcher have selected **Samarth Hospital** which is rendering medical and allied services in Junnar Taluka of Pune District. After selecting the above said Hospital an indebt research is conducted for determine the cost and profit per patient per bed.

### Sources of Data

The information of qualitative and quantitative nature required for fulfillment of the objectives of this research is collected from various types of sources. The main sources are classified in two broad categories.

### 1. Primary Sources

The first-hand data required for the present research is quantitative in nature and is gathered from Primary Sources i.e., Self-Structured Questionnaire, Interview and Observation. Firstly, questionnaire is designed and then after testing the instrument (questionnaire) it is circulated to all concerned parties for obtaining raw data.

### 2. Secondary Sources

The information relating to Demographics of the Hospital, Profile of the Hospital, History of the Hospital etc. is collected through various Websites, Reference Books, Journal Articles, Research Papers, Ph.D. Thesis, M.Phil. Dissertations and from the documents and books of accounts maintained by the Hospital.

### Analysis and Interpretation of Quantitative Data Collected

**Table No. 01 Consultation Fees Per Patient and No. of Patients p.a.**

| Year    | Consultation Fees Per Patient | No. of Patients p.a. |
|---------|-------------------------------|----------------------|
| 2017-18 | 100                           | 19,000               |
| 2018-19 | 120                           | 20,000               |
| 2019-20 | 150                           | 18,000               |

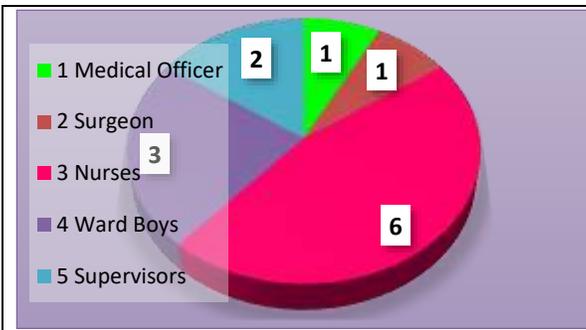
**Consultation Fees Per Patient**

**No. of Patients p.a.**

*The above Table No. 01* indicates that the Consultation Fees have been raised from Rs. 100 to Rs. 150 during the period under study. Further, the number of patients have been increased in 2018-19 by 1,000 as compared to 2017-18 but, it has been decreased again in 2019-20 by 2,000 patients.

**Table No. 02 Details of Medical, Para Medical and Non- Medical Staff**

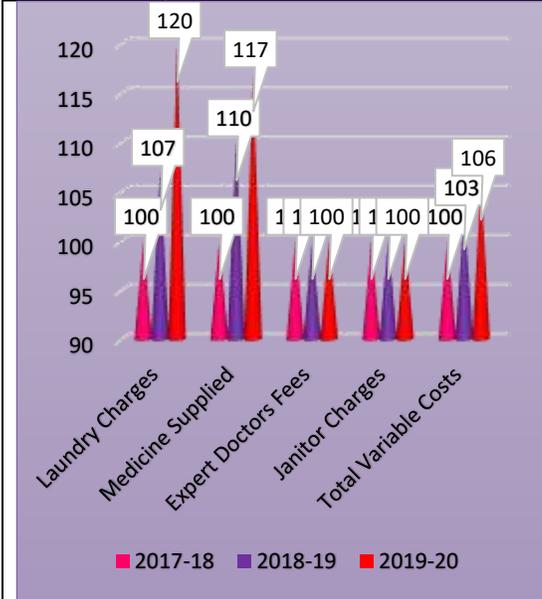
| Sr. No. | Nature of Staff | Financial Year |         |         |
|---------|-----------------|----------------|---------|---------|
|         |                 | 2017-18        | 2018-19 | 2019-20 |
| 1       | Medical Officer | 1              | 1       | 1       |
| 2       | Surgeon         | 1              | 1       | 1       |
| 3       | Nurses          | 6              | 6       | 6       |
| 4       | Ward Boys       | 3              | 3       | 3       |
| 5       | Supervisors     | 2              | 2       | 2       |



*The above Table No. 02* reveals that the number of Medical, Para Medical and Non-Medical Staff is remained constant during the study period. Furthermore, there are 1 Medical Officer, 1 Surgeon, 6 Nurses, 3 Ward Boys and 2 Supervisors currently affiliated with the selected Hospital.

**Table No. 03 Percentage Change and Trends in Variable Costs**

| Sr. No. | Elements of Variable Cost   | 2017-18    | 2018-19    | 2019-20    |
|---------|-----------------------------|------------|------------|------------|
| 1       | Laundry Charges             | 100        | 107        | 120        |
| 2       | Medicine Supplied           | 100        | 110        | 117        |
| 3       | Expert Doctors Fees         | 100        | 100        | 100        |
| 4       | Janitor Charges             | 100        | 100        | 100        |
| 5       | <b>Total Variable Costs</b> | <b>100</b> | <b>103</b> | <b>106</b> |

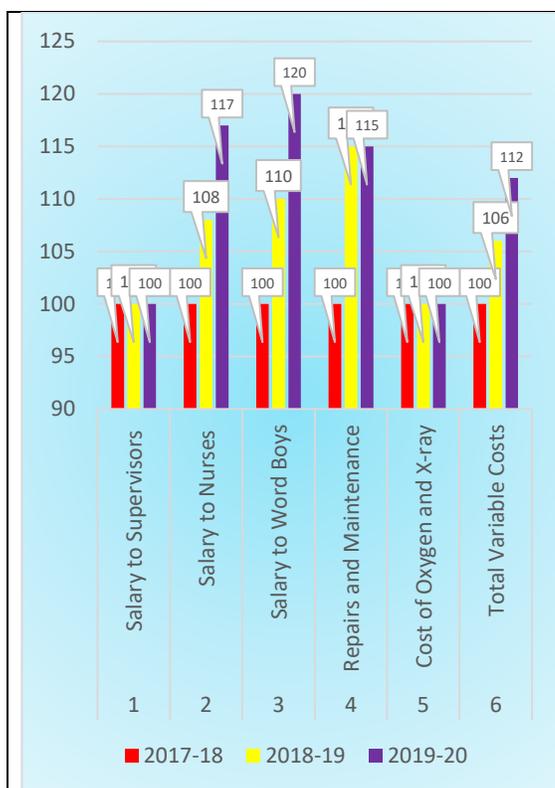


*The above Table No. 03* shows that the Laundry Charges have been increased by 7% and by 20% during the financial year 2018-19 and 2019-20 respectively. Also, the Medicine Supplied have been increased by 10% and by 17% during the financial year 2018-19 and 2019-20 respectively. Despite of this the Expert Doctors Fees and Janitor Charges are remained unchanged during the study period of three years.

\* Financial Year 2017-18 is taken as Base Year.

**Table No. 04 Percentage Change and Trends in Fixed Costs**

| Sr. No. | Elements of Fixed Cost      | 2017-18    | 2018-19    | 2019-20    |
|---------|-----------------------------|------------|------------|------------|
| 1       | Salary to Supervisors       | 100        | 100        | 100        |
| 2       | Salary to Nurses            | 100        | 108        | 117        |
| 3       | Salary to Word Boys         | 100        | 110        | 120        |
| 4       | Repairs and Maintenance     | 100        | 115        | 115        |
| 5       | Cost of Oxygen and X-ray    | 100        | 100        | 100        |
| 6       | <b>Total Variable Costs</b> | <b>100</b> | <b>106</b> | <b>112</b> |



The above Table No. 04 shows that the Salary to Nurses have been increased by 8% and by 17% during the financial year 2018-19 and 2019-20 respectively. Also, the Salary to Word Boys have been increased by 10% and by 20% during the financial year 2018-19 and 2019-20 respectively. Moreover, the Repairs and Maintenance Charges have been increased in 2018-19 by 15% but, after that it remains fixed in 2019-20. Despite of this, the Salary to Supervisors and Cost of Oxygen and X-ray are remained unchanged during the study period of three years.

\* Financial Year 2017-18 is taken as Base Year.

**Table No. 05 Service Cost Sheet of Samarth Hospital, Junnar showing Variable Costs, Fixed Costs and Surplus**

| Sr. No. | Particulars                        | 2017-18           | 2018-19           | 2019-20           |
|---------|------------------------------------|-------------------|-------------------|-------------------|
| 1       | <b>Consultation Fees Received</b>  | <b>19,00,000#</b> | <b>24,00,000#</b> | <b>27,00,000#</b> |
| 2       | <b>Less: Variable Cost p.a.</b>    |                   |                   |                   |
|         | Laundry Charges                    | 30,000            | 32,000            | 36,000            |
|         | Medicine Supplied                  | 1,50,000          | 1,65,000          | 1,75,000          |
|         | Expert Doctors Fees                | 1,50,000*         | 1,50,000*         | 1,50,000*         |
|         | Janitor Charges                    | 2,15,000          | 2,15,000          | 2,15,000          |
|         | <b>Total Variable Costs</b>        | <b>-5,45,000</b>  | <b>-5,62,000</b>  | <b>-5,76,000</b>  |
| 3       | Contribution                       | 13,55,000         | 18,38,000         | 21,24,000         |
| 4       | <b>Less: Fixed Costs</b>           |                   |                   |                   |
|         | Salaries to Supervisors            | 2,40,000**        | 2,40,000**        | 2,40,000**        |
|         | Salaries to Nurses                 | 4,32,000***       | 4,68,000***       | 5,04,000***       |
|         | Salaries to Word Boys              | 1,80,000****      | 1,98,000****      | 2,16,000****      |
|         | Repairs and Maintenance            | 65,000            | 75,000            | 75,000            |
|         | Cost of Oxygen and X-ray           | 72,000            | 72,000            | 72,000            |
|         | <b>Total Fixed Costs</b>           | <b>-9,89,000</b>  | <b>-10,53,000</b> | <b>-11,07,000</b> |
| 5       | <b>Total Costs (VC+FC)</b>         | <b>15,34,000</b>  | <b>16,15,000</b>  | <b>16,83,000</b>  |
| 6       | <b>Surplus (1-5)</b>               | <b>3,66,000</b>   | <b>7,85,000</b>   | <b>10,17,000</b>  |
| 7       | <b>Reasonable Fees Per Patient</b> | <b>Rs. 80.74</b>  | <b>Rs. 80.75</b>  | <b>Rs. 93.50</b>  |
| 8       | <b>Surplus Per Patient</b>         | <b>Rs.19.26</b>   | <b>Rs.39.25</b>   | <b>Rs.56.50</b>   |

### Calculations:

2017-18 = # (Rs.100x 19000)

2017-18 = \* (75,000X2), \*\* (2X12X10000), \*\*\* (6x12x6000), \*\*\*\* (3x12x5000)

2018-19 = # (Rs.120x 20000)

2018-19 = \* (75,000X2), \*\* (2X12X10000), \*\*\* (6x12x6500), \*\*\*\* (3x12x5500)

2019-20 = # (Rs.150x 18000)

2019-20 = \* (75,000X2), \*\* (2X12X10000), \*\*\* (6x12x7000), \*\*\*\* (3x12x6000)

Reasonable Fees Per Patient = Total Costs ÷ No. of Patients p. a.

Surplus Per Patient = Total Surplus ÷ No. of Patients p. a.

*The above Table No. 05* reveals that the Contribution has been increased (from Rs. 13,55,000 upto Rs. 21,24,000) throughout the study period of three years. Also, the Total Surplus has been increased (from Rs. 3,66,000 upto Rs. 10,17,000) throughout the study period of three years.

In short, there is a clear upward trend in Contribution, Total Surplus and Surplus Per Patient during the entire study-period.

### Findings of the Study

1. It is found that the Consultation Fees have been raised from Rs. 100 to Rs. 150 during the period under study. (*Table No. 01*).
2. It is observed that the number of patients have been increased in 2018-19 by 1,000 as compared to 2017-18 but, it has been decreased again in 2019-20 by 2,000 patients. (*Table No. 01*).
3. The study also revealed that the number of Medical, Para Medical and Non-Medical Staff is remained constant during the study period. (*Table No. 02*).
4. It is revealed that that the Laundry Charges have been increased by 7% and by 20% during the financial year 2018-19 and 2019-20 respectively. (*Table No. 03*).
5. It is found that the Medicine Supplied have been increased by 10% and by 17% during the financial year 2018-19 and 2019-20 respectively. (*Table No. 03*).
6. It is observed that the Expert Doctors Fees and Janitor Charges are remained unchanged during the study period of three years. (*Table No. 03*).
7. The study showed that the Salary to Nurses have been increased by 8% and by 17% during the financial year 2018-19 and 2019-20 respectively. (*Table No. 04*).
8. It is revealed that the Salary to Word Boys have been increased by 10% and by 20% during the financial year 2018-19 and 2019-20 respectively. (*Table No. 04*).
9. It is also revealed that the Repairs and Maintenance Charges have been increased in 2018-19 by 15% but, after that it remains fixed in 2019-20. (*Table No. 04*).
10. It is found that the Salary to Supervisors and Cost of Oxygen and X-ray are remained unchanged during the study period of three years. (*Table No. 04*).
11. The study revealed that the Contribution has been increased (from Rs. 13,55,000 upto Rs. 21,24,000) throughout the study period of three years. (*Table No. 05*).
12. It is found that the Total Surplus has been increased (from Rs. 3,66,000 upto Rs. 10,17,000) throughout the study period of three years. (*Table No. 05*).
13. It is also found that there is a clear upward trend in both Contribution, Total Surplus and Surplus Per Patient during the entire study period. (*Table No. 05*).

### Conclusion

Due to Covid-19 outbreak there is a sudden and dramatic increase in the hospitalizations but according to present study the number of patients are decreased from 20,000 to 18,000 patients in the financial year 2019-20. The researcher has studied the cause behind this unexpected result and found that the Hospital under study is General

OPD and because of the threat and fear of getting Covid-19 infected the common peoples have preferred home remedies for ordinary diseases rather than visiting to General OPD.

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# Analysis of Proportion of Women in Parliaments around the World and its Trade implications.

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## ABSTRACT:

Women population, historically and in the current times, is always under-represented in government boards and not considered and given opportunities to take up decision-making roles. As of December 2018, the global participation rate of women in national-level parliaments is 24.1%. In 2013, women accounted for 8% of all national leaders and 2% of all presidential posts.

In many countries around the world, women have had inadequate opportunities in social participation, especially in striving for business, industrial and political rights and power in the government and different institutions. This historical tendency still persists, although this patriarchal practice is slowly changing with women increasingly being politically elected to hold state and central government head positions.

This article aims to observe this phenomenon in the current scenario, the trade implications of this inequality and study the changes, if any.

## CHAPTER 1: INTRODUCTION

In 1993, a constitutional amendment was passed in India that called for a random one third of village council leader, or Sarpanch, positions in gram panchayat to be reserved for women.

There is a long-term plan to extend this reservation to parliament and legislative assemblies. Its opponents consider this preferential treatment of women in India as discrimination against them in admissions to schools, colleges, and universities.

As of now, in India, only 65 members of Parliament (MPs), or 12% of the total 545 members in the 16th Lok Sabha, are women.

Quite famously, the Women's Reservation Bill or The Constitution (108th Amendment) Bill, 2008, is a pending bill in the Parliament of India which propose to amend the Constitution of

India to reserve 33% of all seats in the Lower house of Parliament of India, the Lok Sabha, and in all state legislative assemblies for women. The

seats were proposed to be reserved in rotation and would have been determined by draw of lots in such a way that a seat would be reserved only once in three consecutive general elections.

When we are talking globally, one of the few things that brought Democrats and Republicans together during US President Donald Trump's recent State of the Union address was celebrating a record number of women in Congress. One hundred and two women were elected to the House of Representatives in the 2018 midterms, taking 23.5% of the 435 seats.

But the United States still lags well behind much of the world when it comes to female representation – ranking just 75th on a list compiled by the Inter-Parliamentary Union. In fact, the US doesn't even reach the global average of 24.1% of lower house seats won by women.

The country at the top of the list may surprise some. Rwanda boasts by far the best record for female representation in parliament, with nearly two thirds of its seats currently held by women.

So, what is behind the huge differences in female representation?

Quotas are a common factor in many of the electoral systems with more women as legislators and MPs. The first country in the world to introduce a gender quota by law was Argentina in 1991. Since then, the legal requirement for parties to put forward a certain proportion of female candidates has become common across Latin America, and beyond. Many other countries have adopted different approaches with the same aim, either reserving seats for women (as in China,

Pakistan and many Arab nations), or by political parties voluntarily adopting their own quotas (as in much of Europe).

Quotas have certainly had a dramatic impact on Rwandan politics. In the 1990s on average 18% of parliamentary seats were held by women. The constitution of 2003 mandated 30% of elected posts be held by women. By 2008 women made up more than half of Rwanda's parliament, and that proportion rose to nearly two thirds in the 2013 election.

Over the last 20 years huge steps have been made towards greater female representation. In 1997 women only held more than 30% of seats in Sweden, Norway, Finland, Denmark and the Netherlands. Now there are 49 countries where that barrier has been broken. But since 2015 progress has stalled – and in some cases gone into reverse.

The proportion of ministerial posts held by women remains stubbornly low, at one in five. France, Canada and Spain have all had cabinets with at least as many women as men. But they are exceptions rather than the rule. And even when women are promoted to cabinet, they are often given junior roles, and usually restricted to what UN Women calls the “soft issue” portfolios, such as social affairs and family.

More than half of the countries in the world have never had a female leader. But even having a woman at the top is no guarantee of greater representation. India, once ruled by Indira Gandhi, now has just 65 women among its 542 MPs.

Progress on women's political empowerment over the past decade has reversed slightly in Western countries, according to the World Economic Forum's Global Gender Gap Report. Its political empowerment sub index – which measures the gap between men and women at the highest levels of political decision-making – is where the gender gap remains the widest.

But some women are beating the odds to rise to high political office. Germany's Chancellor Angela Merkel, the longest serving female head of government, has designated another woman as her chosen successor. Nancy Pelosi has become the most powerful women in American politics, and the de facto leader of the opposition who had finally the power and resilience to impeach President Trump. And New Zealand's Prime Minister Jacinda Ardern has proved that motherhood is no barrier to the top job, becoming the second leader in history to give birth while in office. New Zealand was the first developed country to sign a free trade agreement with China in 2008, with China becoming New Zealand's largest trading partner. However, these ties have been tested under Covid-19 pandemic situations and under Prime Minister Jacinda Ardern, New Zealand is recalibrating its dealings with both Beijing and Washington and taking its own stand in dealings both regarding trade foot holding as well as international relations.

Tsai Ing-wen is a Taiwanese politician and academic serving as the seventh president of the Republic of China, since 2016. A member of the Democratic Progressive Party, Tsai is the first female president of Taiwan. She was recently selected by Time magazine to be one of the 100 most influential people of 2020 because of her administration's measures to contain the coronavirus outbreak in Taiwan. Many people in Taiwan also see Ms Tsai's presidency as a sign of the improving status of women in Taiwan. In the year Ms Tsai was elected, the number of female legislators in Taiwan's parliament reached 38%, putting it far ahead of the 22% international average. The figure was higher than the UK, Germany, and the US. Her government encourages the promotion of gender equality. As a result, Taiwan this year ranks first in Asia and sixth worldwide in terms of gender equality based on the Gender Inequality Index. She has been stoutly standing up to Chinese coercion and setting an example of new kind resistance to the rest of the world. Recently, China banned imports

of Taiwanese pineapples, the latest in a string of punitive trade measures against democracies. As the island's largest trading partner, China buys more than 90 percent of Taiwanese pineapple farmers' exports. But the island is taking Beijing's boycott in stride. Interestingly, in response to China's trade ban, the Taiwanese government has launched a chirpy public campaign for the "freedom pineapple" that's gone viral. From Taiwanese President Tsai Ing-wen to many prominent Taiwanese are urging citizens to stand up to China by eating more of the fruit.

Ending this illustrious list of women leaders, is Sanna Mirella Marin, a Finnish politician who became the youngest serving Prime Minister (Finland) in the world by becoming a prime minister at the age of 34 years. A Social Democrat, she has been a member of the Parliament of Finland since 2015 and was the Minister of Transport and Communications between 6 June 2019 and 10 December 2019. Finland's commercial clout far exceeds its modest population of 5.5 million. According to Trade Policy Information System data, in 2019 Finland's GDP was \$282 billion with nominal per capita GDP of \$50,900 (slightly higher than Canada or Germany). It is the only Nordic country that uses the Euro. Finland routinely ranks at the very top of international surveys on education, quality of life, competitiveness and transparency.

### **What should be done to reduce this inequality in representation?**

Better gender representation in politics can come in many ways, say experts, yet many obstacles remain – particularly in countries with a much longer history of institutions that were designed by men.

"When you have a newer constitution and government, perhaps you have women in mind in terms of quotas, but in many places, women weren't involved and they were in fact excluded from the origins of these institutions," says Kelly

Dittmar, assistant professor of political science at Rutgers University–Camden and scholar at the Center for American Women and Politics. "This makes it harder for these institutions to both accommodate women and women's background and their roles in society."

Gender-imposed quotas in parliament are an extreme measure for progress that should come from cultural values, experts say, who add that women shouldn't be elected to dedicated seats, but encouraged to participate in politics in much higher numbers.

Activists say the most important steps have yet to be taken by parties that appear unready to support women running for office. This is despite research showing that when women run, they hold the same chances of winning as their male counterparts or even work harder while in office.

"Political parties are not always the most transparent structures and (as a woman) you have to get acquainted by them and figure your way in," Jabre says. "And that's often not easy for women at all. Holding political parties more accountable—which are something that some of the laws are pushing for, to be more transparent and to actually open the door to women – is definitely one key strategy for change."

India stood 149th in a 2019 list of 193 countries ranked by the percentage of elected women representatives in their national parliaments, trailing Pakistan, Bangladesh and Afghanistan and dropping three places since 2018.

The issue of women's representation in legislatures is gaining traction. In more than six decades till 2014, as women's share in India's population remained at 48.5%, the share of women MPs increased eight percentage points to 12.6% between the first (1952) and the 16th Lok Sabha (2014). There was one woman MP for about eight million Indian women in 1952. By 2014 this was one for more than 9 million women – equivalent to the population of Austria. Low representation of women in the legislature can be

traced to the patriarchal structure of Indian politics, noted a January 2011 analysis by the *Economic and Political Weekly*. Lack of reservation for women in parliament and state assemblies, unwillingness among political parties to give tickets to women, a general lack of awareness of electoral politics among women and the lack of family support – these were some of the specific reasons for the gender skew, the analysis had said.

“More women in parliament means better, stronger and more representative democracies that work for all the people,” said Inter-Parliamentary Union President and Mexican MP Gabriela Cuevas Barron, in a press release. “The 1% increase we saw in 2018 represents a small improvement on women’s parliamentary representation. This means we are still a long way

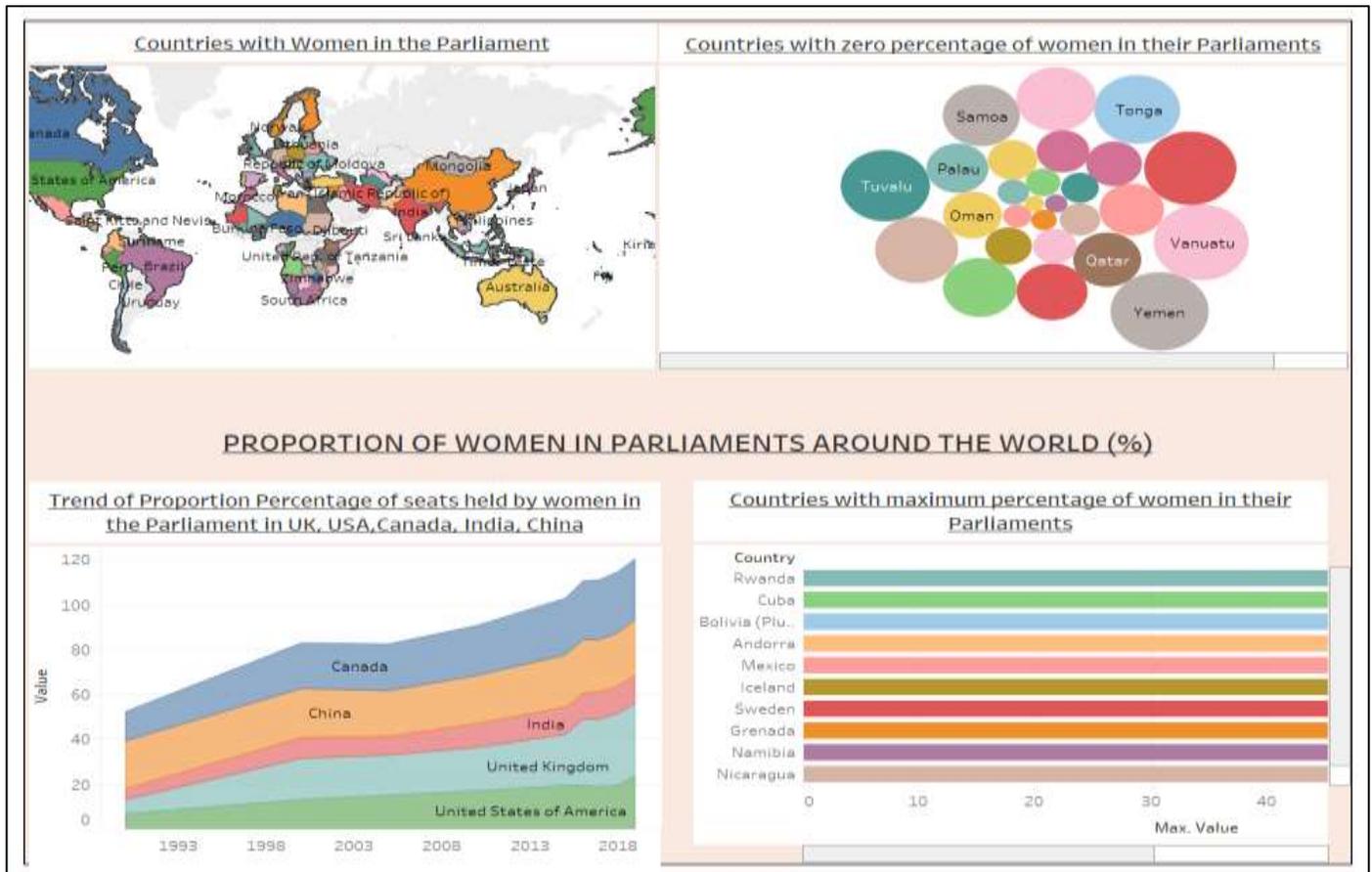
to achieving global gender parity. For that reason, we urge for greater political will in adopting well-designed quotas and electoral systems that eliminate any legal barrier that might be hindering the opportunities for women to enter parliament.”

### CHAPTER 2: METHODOLOGY

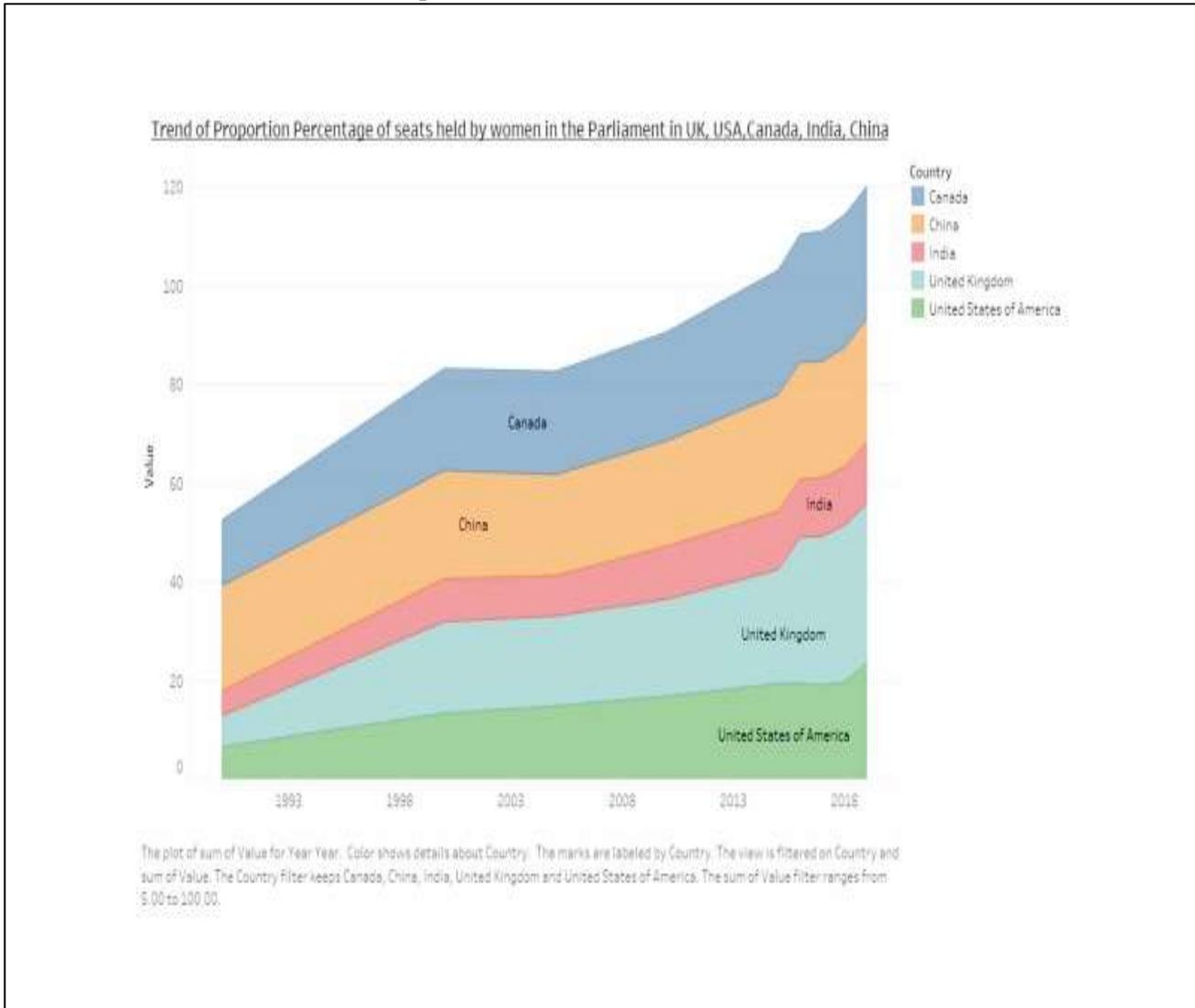
- Dataset taken from data.un.org
- Data analyzed on Tableau Software
- Countries taken as Dimension, Value of Proportion Percentage of women in Parliament taken as Measure. Minimum, Maximum and range parameters used for analysis.
- Dashboard made showing the trend of the above-mentioned percentage for five countries (USA, UK, Canada, India & China) over a period from 1993 to 2018.

### CHAPTER 3: ANALYSIS

Dashboard



1. The tendency of under-representation of females is continuing but showing improvement with time, when these five important countries are considered.



2. Rwanda, one of the smallest countries in Central Africa, has the highest percentage of women participating in the parliament with the percentage value at 63.8%. In every year since 2004, Rwanda has had more women in parliament than any other country around the world. For the last four years, it has had a record 64% of its lower house made up of women.

However, unfortunately, the roots of its high figures can be traced back to the devastating

genocide of 1994. An estimated 800,000 Rwandans were slaughtered within 100 days, with the killings and exodus cutting the population by about a third.

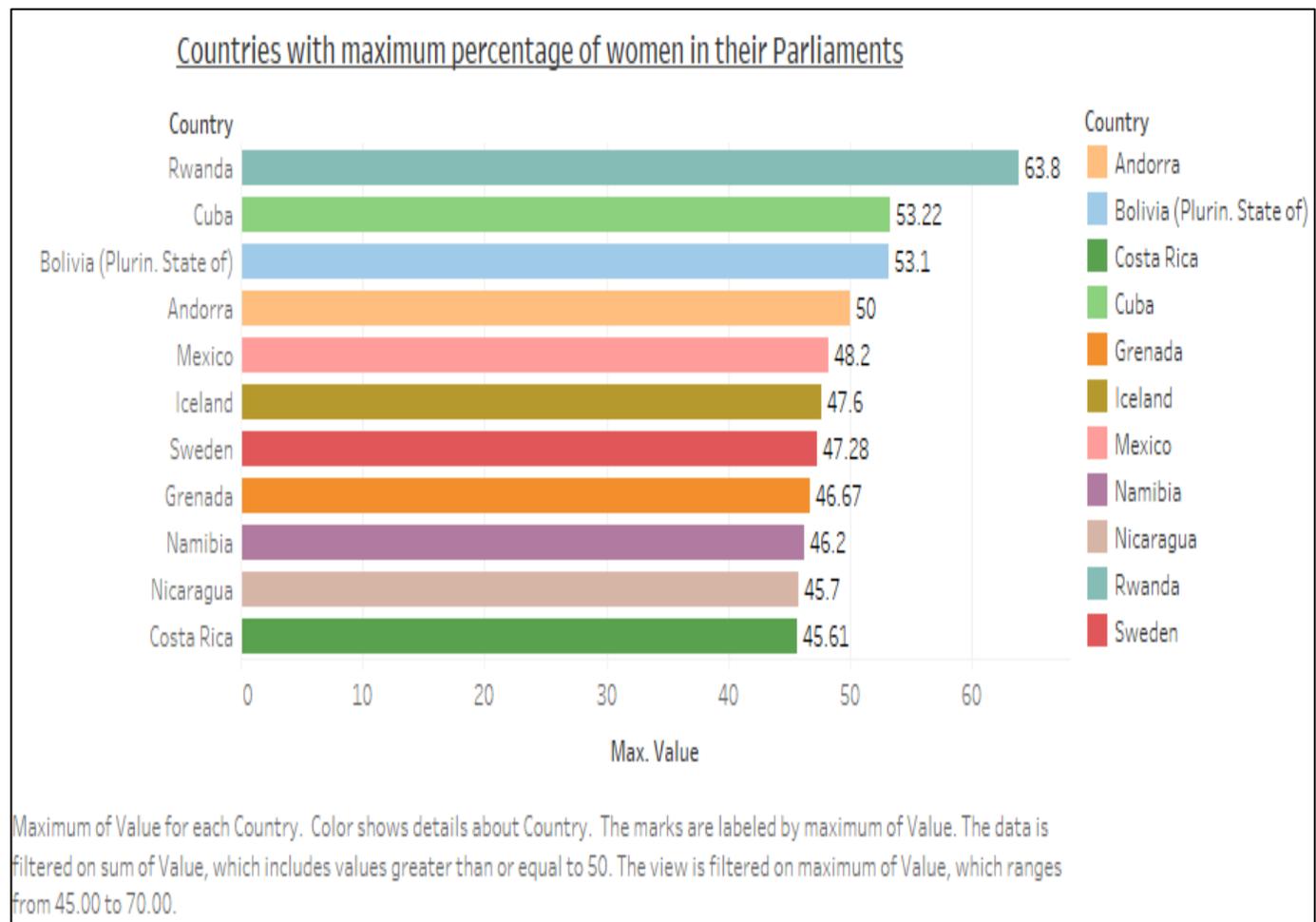
Many men in particular were killed or forced to flee, and records show that immediately after the genocide women astonishingly made up about 70% of the remaining population. Most of these women had not been educated and few expected to have a career outside the home, but the traumatic effects of the massacre changed things substantially.

President Kagame decided women's labour would be needed to rebuild the shattered country, and promoted many top-down equality initiatives to that effect. As part of his efforts, the constitution of 2003 decreed that women should make up 30% "of posts in decision-making organs", including the lower and upper legislative houses.

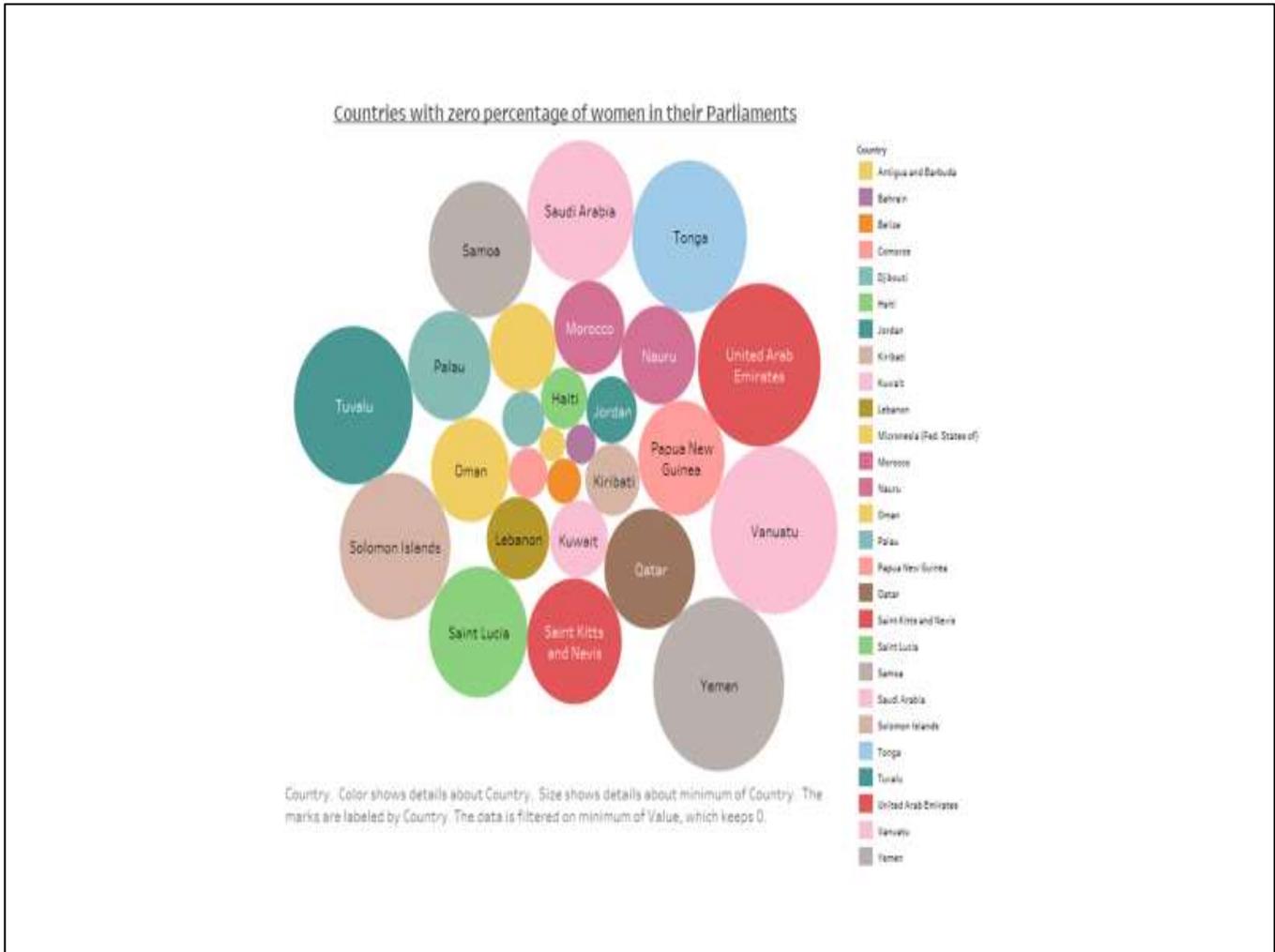
In the House of Deputies, 24 of 80 seats have since been reserved for women. But in that first election, already women won significantly more than their assigned

minimum, taking almost half of all seats. This represented a leap in women's political representation of almost 20% in one year.

Strikingly, around a third of the top 30 countries in the global rankings are post-conflict states, including Angola, Uganda, Burundi, and Nicaragua. Parallels could be drawn with the stark leaps in gender equality experienced in Europe after both world wars. In the UK, women won the vote in 1918 having carried out 'men's' jobs during the First World War.



3. A shocking number of twenty-eight countries have zero representation of women in their parliaments. Of these, UAE, Saudi Arabia and Qatar are the world's most developed and popular business hubs and thereby control a considerable portion of the revenues of the Global economy.



**CHAPTER 4: CONCLUSION**

Half of the world's population is women, but today women only hold 24.1% of all seats in parliaments and senates globally. And the most recent world rankings from the Inter-Parliamentary Union show that the countries doing well are not the ones you might expect.

Many of the big Western-style democracies are nowhere near the top. The UK currently ranks number 39 in the world with less than a third of the Houses of Commons and Lords being women. Australia is ranked 49 and

Canada is ranked 62, both with just more than a quarter of female parliamentarians. The US ranks all the way down at 98; less than one in five seats in Congress are currently taken by women.

Yet some of the data is much more promising – and surprising. In the world's top countries for female representation, Rwanda, Cuba and Bolivia, women now make up parliamentary majorities.

Despite these impressive leaps, no region has touched the overall dominance of the Nordic countries. Since the year 2000, the region has consistently had an average of around two-fifths of its legislators being women.

Yet women's political representation is no longer rising so rapidly. In fact, Norway, Sweden, and Denmark have seen little change at all over the past two decades.

Unlike in Latin America, few countries in the region have mandatory gender quotas. Instead, women's more equal representation can be attributed to broader levels of gender equality across society. The top four in the World Economic Forum's latest Global Gender Gap Report, a ranking of countries on a wide range of gender equality measures, are Iceland, Finland, Norway and Sweden.

While this data shows that the world is making progress on women's representation, much remains to be done. Quotas, as in South America, are a controversial but often successful short-term mechanism to involve more women in the political sphere. But there are many other routes to improve political inclusiveness, as Scandinavia shows. Making the political workplace more welcoming, curbing intimidation and violence towards female politicians, and providing more arenas for women to meet and network are just some policies governments could use.

During the last year, the novel Corona virus has wreaked havoc on the world economy and trade. However, it can be seen from studies and reports that women leaders handled coronavirus better than their male counterparts – and the data shows that the countries led by women have witnessed fewer

deaths compared to the ones with similar characteristics led by men. Whether it has been New Zealand under Jacinda Ardern or Taiwan under the presidency of Tsai Ing-Wen or Germany under Angela Merkel, female-led countries have been held up as examples of how to manage a pandemic.

What is clear from the all the above information is that unless politics becomes more attractive to and accepting of women, half the world's population will remain half-represented for years to come.

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# Blockchain in Trade Finance

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## Introduction

The middle of the previous century to the beginning of the present century witnessed, organisations' reliance completely on the on premise installed and managed enterprise software and financial systems. These systems were either developed by third parties and licensed to companies or built in-house as custom software to meet the needs of the company. These in-house customized developed software made the internal process faster, digital and efficient. However, this made them remain the digital island. The integration with other trading partners is complex process. This involves high cost, risk and resistance to trade transactions involving parties outside the ecosystem.

Cloud computing emerged in early 2000s in which the trade platforms and networks were managed by third parties. This addressed the then prevailing issue of connectivity challenge. The goal of cloud computing was to bring all the trading parties onto a centralized platform to facilitate multi-party transactions. These services are operated by third party vendors and are available as Software as a Service (SaaS) solution. Unfortunately, this solution did not address the issue of costly integration and also added the issues relating to the custody, control, privacy and security of data.

## Blockchain: The future of trade finance

Trade finance influences global trade driven by companies getting the opportunities to do business with new partners. Presently, these companies and B2B transactions are not supported by any common infrastructure. The challenges of costly integration, data custody, control, privacy and security can be addressed by distributed platforms and networks. This design enables the software systems that are independent to transact seamlessly in real time, securely over open, distributed network with no single owner, operator or single point of failure. Each organization can

retain the custody and control of their own data. This helps them in compliance and policies.

## Benefits of Blockchain in trade finance

The advantages of Blockchain in trade finance are reduced processing time, paperless, cost saving, transparency, security and trust without involving any third party. The absence of intermediaries from the blockchain eliminates the risk of any manipulation by any participant in the process.

- **Efficiency:** The trade finance process becomes highly efficient in completing the transactions directly eliminating any intermediary. The transactions are in the digitized form. The blockchain operates with smart contracts which trigger the actions automatically. This increases the speed of transactions and reduces the cost.
- **Traceability:** The blockchain technology enables suppliers and consumers to track the goods and their current location. The asset information can be received from the supplier and sent to the new customer for action. This helps in new opportunities in finance and improves the trading of goods.
- **Transparency:** Blockchain is the distributed ledger technology. It records multiple details of the transactions against smart contracts and distributes the data to improve the trust further. This minimizes the risk of tampering the records and provides the options for financing the trade.
- **Auditability:** With blockchain each transaction of the trade finance can be recorded sequentially and for theoretically infinite time. This helps in conduction audit trial for the entire lifecycle of trade and verification of authenticity of assets with reduced cost of compliance.
- **Security:** The transaction in a trade network is verified using cryptography. The data and its transmission is protected using cryptography.

Blockchain is the future of trade finance.

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