



**INTERNATIONAL JOURNAL OF NOVEL RESEARCH  
AND DEVELOPMENT (IJNRD) | IJNRD.ORG**  
An International Open Access, Peer-reviewed, Refereed Journal

# Impact of E-Commerce in India: Issues & Challenges of Jharkhand

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## Abstract: -

In India, a center of commerce is located in all the states, one of them Jharkhand is also located, which is now rapidly expanding into an e-commerce center. Everything can be bought on this web, from needlework to shipping to all districts of this city. With the arrival of new and new players, it is still common for existing players and new competitors to think of creative ways to offer their goods and services. Along with this, electronic commerce has become an integral part of all these types of existing businesses. Not just one approach to support or improve, but many, e-commerce is revolutionizing the marketplace. It is also becoming<sup>1</sup> a problematic invention that is changing the traditional way of doing business to a great extent. E-commerce is paving the way for huge business growth in our country. And this time increasing web clients have further added to its growth. E-commerce has developed the online travel industry in many ways and our country is trying to incorporate another business route through the online retail industry. Presently through the study, it is being found that an attempt has been made to delineate the current scenario and facilitators of E-commerce in India, dissect the current pattern of E-commerce and identify the potential of E-commerce in India. Obstacles have been observed.<sup>2</sup>

**Keywords: -** E-commerce, India, E-market

<sup>1</sup> Saini, B. (2014). E-Commerce in India. The International Journal of Business & Management, Vol. 2(2), pp. 1-5.

<sup>2</sup> Hariharaputhiran, S. (2012). Challenges and opportunities of E-commerce, International Journal of Marketing, Financial, Services & Management Research, Vol. 1(3), pp. 98-108.

**Introduction:-**

The meaning of e-commerce is in the form of electronic commerce which indicates a wide variety of online business practices for a wide variety of products and services. Because it means managing goods and services through electronic media and the web. It refers to the site of the seller on the web, which provides items or services directly to the customer through a gateway with the help of a digital shopping cart or digital shopping basket system and allows payment through internet banking or credit/debit cards. E-commerce or e-business involves doing business with the help of the web and using various information technology tools. E-commerce is the development of the business over the Internet. E-commerce has turned into prevalent online activity overnight. E-commerce business in India has seen exponential growth in the last decade. This growth is due to several supporting factors, including the rapid adoption of technology by Indian consumers, a large increase in the number of internet users, new enabling technologies, innovative business models, and alternative payment options offered by e-commerce companies. Moreover, with the high growth in e-commerce continuing unabated, the revenue from this sector is expected to increase substantially in the years to come. The e-commerce industry has been valued at US\$35.4 billion since 2018, growing at a CAGR of 42%<sup>3</sup>, and is projected to reach US\$40.09 billion by 2023. Going. Which is being seen as the biggest achievement so far.

**Objectives of the study:-**

- 1.To study the present status of Internet Users in India Number of Internet Users in India from 2018 to 2023 with Forecast to 2024.
- 2.To study the Digital buyers in India 2018-2023 (In Millions).
- 3.To study the E-Commerce sales in India (In Billion Dollars).

**Reasons behind the growth of E-commerce:-****Busy Lifestyle**

- 1.The life of individuals is so fast to the point that they can't go to the swarmed markets each time for shopping. Also, people want to shop in a relaxed environment.

**High Disposable Income**

- 1.With increased employment opportunities income has become higher and thus giving more spending power to individuals. Thus they are energetically ready to pay for the items on the internet.

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<sup>3</sup> Jain, S., & Kapoor, B. (2012). E-commerce in India-Boom and the Real Challenges, VSRD International Journal of Business & Management, 2(2), pp. 47-53

## Awareness of Products

1. These days people are much more aware of the new products, their specifications, costs, etc. through the assistance of media like TV, radio, newspaper, etc. So they shop online with confidence.

2. Rising Computer Educational Level Because of the endeavors of the Government and Educational Institutions in India, computer education is getting to new skylines. Individuals have more knowledge of the tools and applications of computers. Not just students of urban zones but students of rural zones, housewives, and professionals are likewise attracted to the developments like e-commerce and business. So there is consequently an incredible interest in purchasing and utilizing new items<sup>4</sup>.

## Opportunities for E-commerce:-

Reports show that the internet development in the 20th century birth the electronic marketplace also known as e-marketplace, which is now the seed of electronic commerce (e-commerce). An e-market place is an artificial space where traders and consumers make exchanges with each other like a traditional marketplace. Different types of economic transactions, exchanges of goods and services, as well as exchanges of information, take place in e-marketplaces. E-commerce centers have turned into optional places for trade. Finally, an e-commerce center can act as an information specialist that furnishes purchasers and traders with information on items and different members in the business sector. These characteristics have been giving new shape to the economy by influencing the conduct of purchasers and merchants. E-businesses influence the entire business whether online or traditional. It empowers a considerably more coordinated level of a joint effort between the various parts of a value chain than ever before. Opting business additionally permits organizations to lessen costs and enhance client reaction. Organizations that update their business methods gain advantages from multitudinous new conceivable outcomes achieved by technology. E-commerce is a wide term that may vary from placing orders on the web through the online conveyance of paid substance to monetary exchanges, for example, the exchange of cash between bank accounts. One region where there are some positive signs of e-commerce is financial services. The online stock exchange saw supported development all through the time of broadband diffusion.

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<sup>4</sup> Jahanshahi, A. A., Mirzaie, A., Asadollahi, A. (2012) "Mobile Commerce Beyond Electronic Commerce: Issue and Challenges", Asian Journal of Business and Management Sciences, 1(2), pp- 119-129

## Challenges for E-commerce:-

The following challenges of e-commerce are as follows.

There are also many advantages of web-based e-business in India.

1. In Jharkhand, there can be dangers in the forest area because the company is also at loss due to not asking for the parcel on time.
2. Which is prominently called faceless and borderless. There have been some cases of ethical issues as a result of electronic business.
3. Ethical issues associated with e-commerce are also reported by Stead and Gilbert.
4. Has been a significant issue for both current and future electronic commerce users.
5. In this regard the following issues are generally striking. Non-interference, ability to prohibit Single privacy is the moral right of every individual. privacy is the moral right of every individual.

## Security Concerns:-

Notwithstanding privacy issues, another ethical issue concerned with e-commerce is security. The Internet offers uncommon simple entry to an unfathomable exhibit of various products and services. The quickly growing field of "click and mortar" and to a great extent unregulated cyberspace have however incited worries about both privacy and information security.

## Reasons behind the growth of E-commerce:-

### Busy Lifestyle

- The life of individuals is so fast to the point that they can't go to the swarmed markets each time for shopping. Also, people want to shop in a relaxed environment.
- High Disposable Income With increased employment opportunities the income has become higher and thus giving more spending power to individuals. Thus they are energetically ready to pay for the items on the internet.

### Awareness of Products

These days people are much more of the new products, their specifications, costs, etc. through the assistance of media like TV, radio, newspaper, etc.

### Online shop

- Rising Computer Educational Level Because of the endeavors of the Government and Educational Institutions in India, computer education is getting to new skylines. Individuals have more knowledge of the tools and applications of computers. Not just students of urban zones but students of rural zones, housewives, and

professionals are likewise attracted to the developments like e-commerce and business. So there is consequently an incredible interest in purchasing and utilizing new items.

- **Increased Usage of the Internet** The count of internet users is more than 100 million now. Moreover, in recent years, sophisticated online travel operators began transforming these underlying Web users into Web clients thus boosting the dominance of e-commerce

### **Impacts of E-commerce on Society:-**

The introduction of e-commerce has impacted the traditional means of online exchanges. It is creating a new marketplace and opportunities for the reorganization of economic processes, more efficiently. The open structure of the Internet and the low cost of using it permits the interconnection of new and existing information and communication technologies. It offers businesses and consumers an innovative and powerful information system and another form of communication. This changes the way they search and consumer products, with these products increasingly customized, distributed, and exchanged differently. The advent of e-commerce has seen a dramatic impact on traditional ways of doing business. It has brought producers and consumers closer together and eradicated many of the costs previously encountered. The supply industry will benefit from e-commerce which includes those producing computers, networking equipment, and the software necessary. It has affected the following fields of economic activity.

- Pricing of the product.
- Product availability
- The transportation patterns
- Transaction costs.
- Cost and profit structure of all companies.
- Consumer behavior in developed economies & worldwide competitiveness

### **BARRIERS TO E-COMMERCE IN INDIA**

Various infrastructural barriers create obstructions in the development of e-commerce in India. Some of them are listed below:

#### **A. Payment**

**Collection** At the point when getting paid by net managing an account one needs to wind up giving a critical offer of income (4% or all the more) even with a business having low profit. Frauds, cash backs, and so forth all turn into a trader's obligation and consequently be represented in the business model.



**B. Logistics**

You need to deliver the item safely to the hands of the right person in the opportune period. Customary post doesn't offer a satisfactory service whereas couriers charge high and have a restricted span of work. At first, you may need to insure for high-value delivered articles expanding the expense even further.

**C. Vendor**

Management however propelled framework might be, the seller will need to descend and bargain in an inefficient framework for stock management. This will back off radically. A large portion of them won't convey any computerized information for their items. No decent-looking photos, no advanced information sheet, no component to check at day-by-day costs, accessibility to keep your site overhauled.

**D. Taxation**

Octroi, entry tax, VAT, and loads of state-specific tax structures go on with them which can create chaos.

**ADVANTAGES OF E-COMMERCE:-**

Electronic commerce gives various advantages to the buyers in the type of accessibility of products at lower cost, more choices, and also saves time. Individuals can purchase merchandise with a tick of the mouse without moving out of their homes or office. Also online services, for example, money transfers, e-ticketing, hotel bookings, payments, and so on have been of huge advantage for the clients. The Indian e-gift portals and shopping sites additionally give merchandise and an assortment of classes like clothing and accessories for males and females, home use products, books and magazines, PC and peripherals, vehicles, electronic gadgets, gems & stones, sound, and recordings.

**FACILITATORS OF E-COMMERCE IN INDIA:-****A. Information Directories**

Websites like <http://www.trade-india.com/> and <http://trade.indiamart.com/> update directories that provide details of trade of every type.

**B. Banks**

Net Banking: Online banking facility is provided by all banks to their savings account as well as current account holders. Various common net banking services provided by banks are: Demat accounts Foreign Exchanges Instant bill payment etc.

**C. Credit/Debit Cards:**

Banks encourage E-commerce by providing Credit or Debit Cards, without which E-trade would be inconceivable.

## Research Methodology:-

This research is based on secondary data which are collected from several sources i.e. research papers, www.statista, publications from the Ministry Of Commerce, Govt. of India, etc. which are available on the internet.

## Analysis:-

### Table 01.

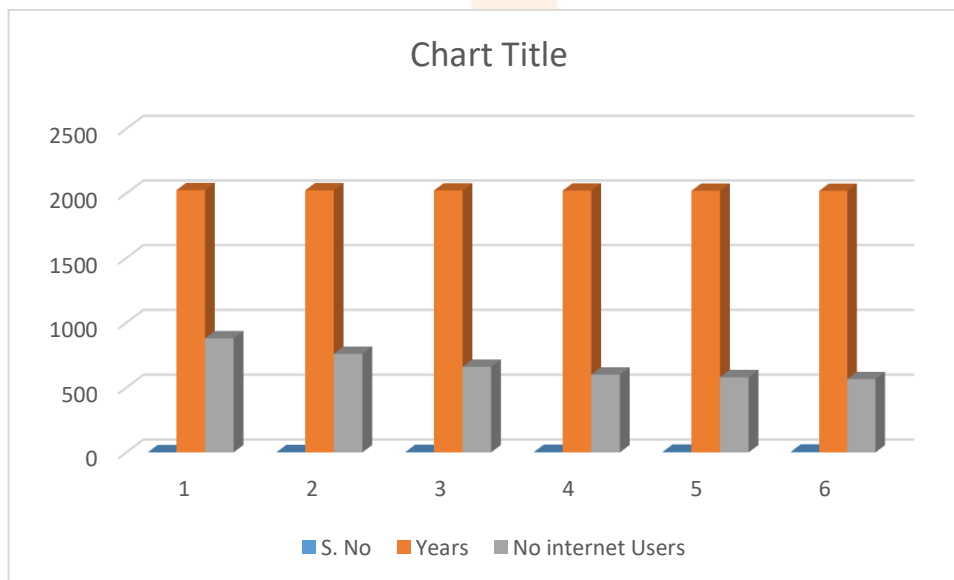
Internet users in India Number of internet users in India from 2018 to 2023 with a forecast until 2024.

S. No	Years	No internet Users
01	2024	880
02	2023	760
03	2022	660
04	2021	600
05	2020	580
06	2019	565

Source: Statista 2023

### Graph No.01

Internet users in India Number of internet users in India from 2018 to 2023 with a forecast until 2024



It is evident that table no.01 tries to show through the data in the table which year is being displayed as the highest and the lowest. Through which it can help to assess properly.

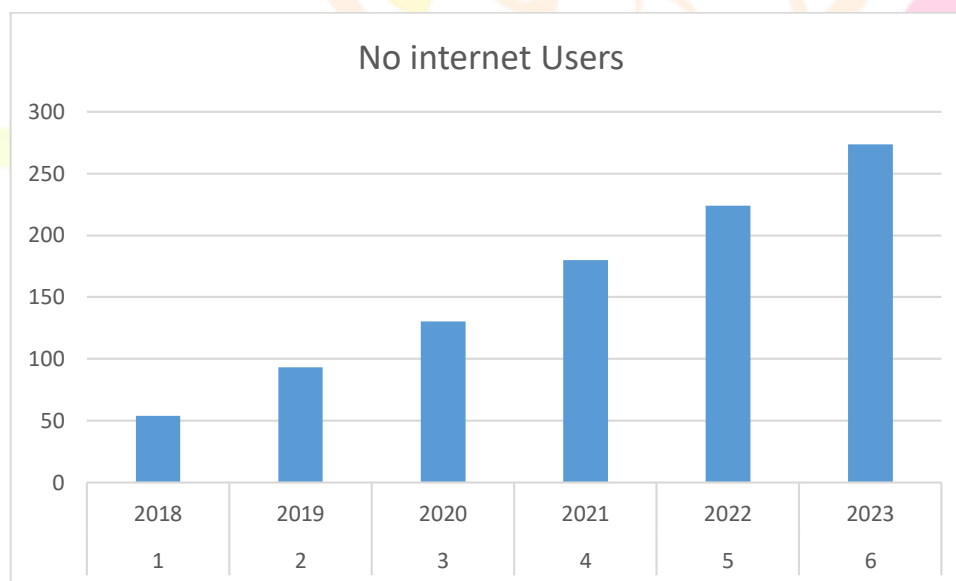
Table No.02

Digital buyers in India 2018-2023 (In Millions)

S. No	Years	No internet Users
01	2018	54.1
02	2019	93.4
03	2020	130.4
04	2021	180.1
05	2022	224.1
06	2023	273.6

Source: Statista 2023

Digital buyers in India 2018-2023 (In Millions)



It is evident that table no. 02 Digital buyers in India 2018-2023 (in lakhs) are being marked in the above table through which an attempt is being made to see which year is marked as the lowest or highest. What is being tried to represent in the graph.

### Future of E-commerce in India:-

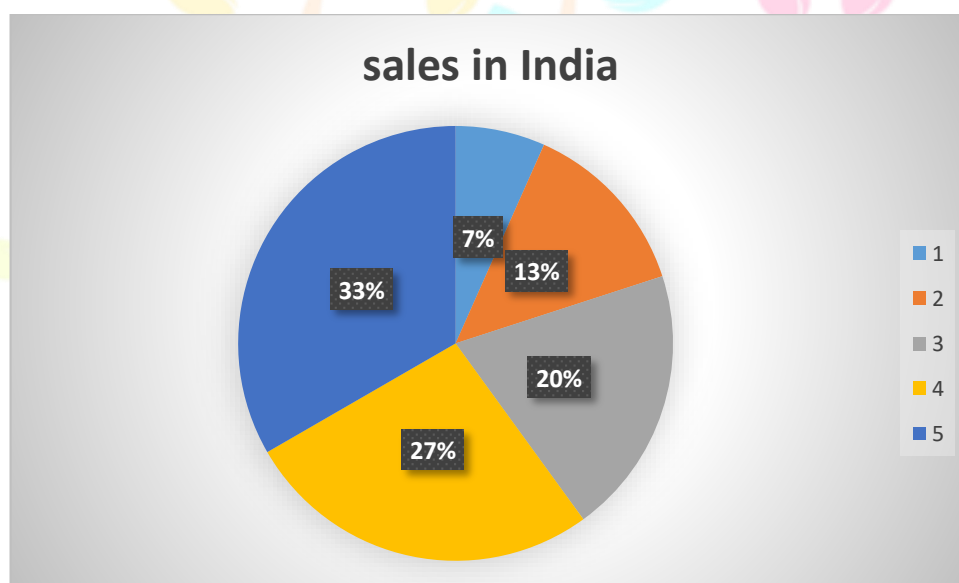
The E-commerce sector in India is growing rapidly. The internet user base in India is 460 million and it is expanding day by day. The accelerating growth of Ecommerce in India is due to internet penetration and easily available smartphones. Furthermore, the favorable demographics and government effort of digitalization are also pushing the growth of the E-commerce sector in India.



**Table No. 03****E-Commerce sales in India (In Billion Dollars)**

S.No	Year	sales
01	2019	12.9
02	2020	16.08
03	2021	20.01
04	2022	24.94
05	2023	31.19

Source: Statista 2023

**E-Commerce sales in India (In Billion Dollars).****Conclusion:-**

Electronic commerce opens new doors for business; it additionally creates new avenues in the field of education. It gives the idea that there is enormous potential for giving e-commerce training. At first, new Internet clients would be hesitant to direct any sort of business on the web, referring to security reasons as their fundamental concerns. With a specific end goal to build customer appropriation of e-commerce services, the purchaser's perplexity, worry, and hazard should be distinguished, comprehended, and mitigated. E-business gives huge benefits in various ranges however it requires watchful attention for the protection of consumer rights at the same time. Development of e-commerce would likewise depend, all things considered, on successful IT security frameworks for which vital technological and legitimate arrangements should be set up and reinforced always. E-Commerce is the eventual fate of shopping. With the introduction of 3G and 4G networks, the web economy will keep on growing vigorously. In the coming 4- 5 years, India will have around 70 million net users which will be at par with many of the developed nations in the world.

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