

PROBLEMS AND PROSPECTS OF DOING BUSINESS IN TRIPURA

Rajat Deb

Assistant Professor
Department of Commerce
Tripura Central University
(www.tripurauniv.in)
Suryamaninagar-799022
West Tripura, India.

Abstract

The study examines the perception of the respondents while doing business in Tripura. It obtained primary data from 200 respondents consisting of 180 men and rest women from the selected twenty areas of Tripura using quota and convenient sampling technique through schedule and personal interviews. Different statistical tests like Mann-Whitney U test, Pearson's Chi-square test, factor analysis like Principal Component Analysis, were performed to assess support for the hypotheses. The reliability of the questions and sample adequacy test was also carried out. The results of the data analysis reveal that most of the respondents believe that in Tripura to commence, procuring funds, to take necessary permissions, to operate and to liquidate a business is a delayed process. The findings indicate that paying bribes, lobbying and unethical practice is common in business world. The participants in the study perceive that different rules and regulations should be rationalized, e-governance and infrastructure should be improved and besides the local administration need to protect the assets of the entrepreneurs.

Key words:Entrepreneurs, business environment, factor analysis, descriptive statistics, Pearson's Chi-square test.

Introduction

'Environment' literally means the surroundings, external objects, influences or circumstances under which something exists. The environment imposes several constraints on an enterprise and has a considerable impact and influence on the scope and directions of its activities. 'Business environment' generally refers to the external environment and includes factors outside the firm which can lead to opportunities for or threats to them. But the growth story of Tripura has taken a hit in recent past- due to a number of factors. This paper tries to find out the challenges and business environment of Tripura both at micro and macro levels and the strategies to

strengthen the same.

Objectives of the study

The objectives of the study are

- To analyze the perception of the respondents about their experience in doing business in Tripura
- To suggest the ways of proper managing of business in Tripura.

Review of Literatures

In this section of the paper the different types of environment which influence the business will be discussed in brevity. Although the topic of this study is confined in Tripura but it is pertinent to mention the different types of business environment. The Economic environment influences the business to a great extent. It refers to all those economic factors which affect the functioning of a business unit. Social and Cultural environment refers to the influence exercised by certain social and cultural factors like family, marriage, religion, education, attitude of people to work, ethics and social responsibility of business. Technological environment plays a very important role in the economic development of a country. Among all the segments of macro-environment, technological environment exerts maximum influence on business. The level of economic development attained by a country depends up on the content and use of its natural resources to a great extent which comes under the ambit of Ecological environment. The Political environment of a country has enormous influence on the business. The viability of a business depends upon the ability with which it can meet the challenges arising out of the political-legal environment.

The present study was undertaken in the light of World Bank's Doing Business 2014 data for India which ranks India 134 (out of 189 countries) and how the different parameters are perceived by the participants of this study in Tripura. The relevance of the study may also be supported by the slipping trend of this rank (131 in 2013), (132 in 2012) and

India's position in some key areas among the other south Asian countries in the 2014 Report on some key areas as follows:

Stoever (1988,) says that the Government of India poses a problem for investors because there is limited access to Government offices, too many cumbersome forms to fill, lack of coordination between Government departments in processing forms, long periods of waiting for approvals, and 'screwy' rules. Although this is a pre-reform perspective, similar notions are held about post-reform India. Rohwer (1995) finds that in June 1991, Indians saw on their television symbolic scenes of gold bullion being trucked from the vaults of the central bank for eventual shipment to the Bank of England to secure a loan; the last thing a traditional Indian family parts with before misfortune overwhelms it is its gold. Bajpai (2002), concludes that, the Government of India had to initiate negotiations with multilateral agencies for long-term loans, utilize facilities from the IMF and seek emergency bilateral assistance from countries like Japan and Germany. Desai, (1999) says that

Government attitudes to foreign companies changed from caution and hostility, as in 1978 when IBM was forced to wind up its business due to a xenophobic Indian Government. Mattoo, (2001) argues that, India's 'look east policy' promotes trade with Southeast Asian countries. Immediately after the announcement of this policy, Singapore was the prime target of Indian leaders. Denscombe (1998) points out that, in primary data collection regarding the experiences of doing business, interviewing was informal and semi-structured, thus allowing the interviewee to recall his/her own experiences, develop his/her own ideas and speak on issues that affected his/her business attitudes and practice and to avoid forcing respondents into a preconceived response pattern. Roy & Chowdhury (1970), suggest that two main opposing perspectives exist with regard to India's business culture. The first is that Indian businesses practice an archaic corporate culture. They transfer socio-religious hierarchical structures to their workplaces. Stoever (1988) indicates that the Government of India poses a problem for investors because there is limited access to Government offices, too many cumbersome forms to fill, lack of coordination between Government departments in processing forms, long periods of waiting for approvals, and 'screwy' rules. Although this is a pre-reform perspective, similar notions are held about post-reform India. According

to Yahya (2003), Singapore Airlines (SIA) with the Indian-based Tata group had failed in their 1997 bid to manage an airport in South India and jointly start a domestic Indian airline because of bureaucratic impediments and political interference. Sagar (2000) says that, In the long run, excessive bureaucracy could be the greatest barrier... by undermining India's capability to materialize investor interest. Another factor that affects the level of bureaucracy is the state in which the investment is carried out. Bullis (1998) says that policies aimed at attracting investments vary in strength and nature from state to state. Central government's calls for reforms do not necessarily permeate uniformly across all states and down to lower government levels. Budhwar (2001), Banks & Natarajan (1995), Stoever (1988) say that, India is often viewed as a third world country with poor infrastructure, aspects of which, such as the transport system, office supplies and computers, have been criticized by many observers.

Research Methodology

A) Primary data

The primary data has been taken from the beneficiaries to study their perception regarding different aspects of doing business in the state through schedule and personal interviews.

B) Schedule

In the light of the stated objectives of the present study a schedule was framed and a survey on 200 entrepreneurs from twenty different areas of Tripura was conducted. The schedule comprising of 40 questions including socio-economic background of the respondents was used to collect the primary data.

C) Sampling Design

The population for the sample comprised of twenty different areas of Tripura viz. Maharaj Ganga bazar, Battala bazar, Durga Chowmuhani bazar, Lake chowmuhani bazar, Kaman Chowmuhani, GB bazar, Sakuntala road, HGB road, Netaji Subhash Chandra Basu road, Central road (all from Agartala), Central road (Udaipur), Subhash park market (Khowai), New central road (Dharmanagar), Central road (Bishalgarh), Bankar bazar (Belonia), New market (Kailashar), Station road (Ambasha), Phulchari bazar (Kamalpur), Bishramganj bazar, Sonamura main bazar, Churaibari bazar (North Tripura). As most of the large and medium sized business houses are in Agartala, ten markets have been selected from here and the remaining ten markets are selected from different subdivisions covering all the eight districts of Tripura. There are several stages in which the

sampling process is carried out. The stages are:

(1) First stage

At this stage the entire state has been divided on the basis of prime commercial establishments in which maximum number of entrepreneurs is living by using cluster sampling method.

(2) Second stage

By using quota sampling, 20 areas have been selected in order to make the sample more representative.

(3) Third stage

The eventual sampling was selected on the basis of convenience-cum random sampling. At this stage a base of 100 entrepreneurs from each of the 20 areas has been taken into consideration as it is very difficult to know the exact number of entrepreneurs. Further, data from each market has been divided on the basis of 9:1 ratios between men and women entrepreneurs (i.e. 90 men and 10 women entrepreneurs on the base of total 100 respondents). It was found during the survey that most of the entrepreneurs are men and hence the ratio of men and women respondents was taken as 90 per cent and 10 per cent respectively. Again, it was difficult to contact each and every respondent in each locality hence quota of 10 per cent was fixed for every area as well as for men and women Account holders. The final sample size consists of 200 entrepreneurs, out of which 180 were men and the rest 20 were women.

D) Tools and techniques used

The data collected through schedule and personal interviews and have been further processed by SPSS (Statistical Package for Social Sciences)-20. Non-parametric tests mainly the Mann-Whitney Test and the Chi-square test has been used to test the hypotheses. The Mann-Whitney U test is a non-parametric statistic test most frequently used to assess whether two independent groups are significantly different from each other. A Chi-square test for independence is applied when two categorical variables are generated from a single population. It is used to determine whether or not there is a significant association between the two variables.

Primary Data Analysis

A close ended schedule with a 5 point Likert scale has been used for analyzing the perception of the respondents. The 5 point scale in the schedule bears the corresponding prefix, e. g. 1 as agree, 2 as strongly agree, 3 as disagree, 4 as strongly disagree and 5 as do not know. According to Cooper (2000), this type of scale is considered to be an interval scale. So, measurement of central tendency and its

dispersion can be made. To test the reliability of the questions Reliability test was carried out to determine the Cronbach's Alpha score which comes out as 0.875 hence it was accepted. Since, Alpha score above 0.70 is treated as good in social sciences. To consolidate the data, factor analysis was carried out. On the factors obtained through factor analysis, the Mann-Whitney U test was applied to see if there is any difference in the opinion of male and female respondents on the factors so obtained. We have used various statistical tools like Descriptive Statistics, Mann-Whitney Test, Chi-square (X²) test and factor analysis to test the hypotheses which we generated from the primary data. The following hypotheses consist of ten parameters for managing business in Tripura (Schedule, Part C) which has been tested using Chi-square test.

Table : 1 Reliability Statistics

Table : 1 Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
.891	.875	25

The hypothesis is as follows:

4. To offer suggestions based on the findings of
- 1) Ho: There is no association in the perception of the respondents towards managing business in Tripura.
- 2) HA?: There is association in the perception of the respondents towards managing business in Tripura.

Finally, the data was processed through the use of SPSS and hence the findings and necessary recommendation was provided for the study.

The Null Hypotheses of the study are as follows:

- Ho?: It is perceived that in Tripura commencement and closure of businesses is lengthy process.
- Ho?: It is perceived that entrepreneurs of Tripura face many problems in doing their businesses.
- Ho?: It is perceived that registration of property and warehouses is delayed.
- Ho4: Entrepreneurs in Tripura perceived that construction of business establishments in Tripura is delayed.

Demographics of the Respondents

Table: 2 Age group of Respondents

Table: 3 Education levels of Respondents

Table: 4Religions of Respondents

Table: 5Castes of Respondents

Table: 6 Marital Statuses

Table: 7 Duration since you involved in business

Table: 8 Mode of finance

Table: 9 Form of Business

The study has revealed that majority of the respondents are Hindus (44 percent), in their middle age (42.50 percent), having education up to Higher secondary (27 percent) and married (73 percent). The study further reveals that most of the respondents are General (48 percent), in sole proprietorship business (74 percent) for more than 5 years (43.50 percent) having access of borrowed fund (44 percent) to finance their projects.

Analysis of data

A total of 200 respondents were participated in the study. Part B of the schedule(refer to appendix table) consisted of fifteen key issues related to experience in doing business. Principal Component Analysis (PCA) has been conducted to find and club the component under the suitable head. The result of the PCA is as follows:

Table: 10KMO and Bartlett's Testa

Factor analysis is used to uncover the latent structure of a set of variables. It is used to determine the smallest number of factors that can best represent the inter-relationships among different aspects of locker accessibilities. Factor analysis was being chosen as a method for data reduction, since it is suitable for identifying correlations among variables in a complex sets of data (Mitchel more and Rowley, 2013).

Prior to performing the PCA, the suitability of data for factor analysis was assessed. The KMO value was .841, exceeding the recommended value of 0.6 which indicates that the data is adequate for factor analysis (Kaiser, 1974). The Bartlett's test of Sphericity (Pallant, 2005) relates to the significance of the study and thereby shows the validity and suitability of the responses collected for the problem being addressed through this study, as well as tests the presence of correlations among variables. A small value less than 0.05 of significance level has been recommended suitable for the study (Kline, 1994). On the basis of the results it was implied that the dataset was fit for conducting factor analysis.

Table :11Communalities

From the Table 11, the communalities represent the amount of systematic variation for each variable that is accounted for by the set of factors in the study and the value ranges from 0 to 1. According to Zillmer and Vuz (1995), communalities below 0.30 suggests

that few variables are associated and thus a suitable factor model may not emerge. Therefore, such values need to be removed from the scale. In this study all the values in the communalities are above 0.50, thus indicating that the variables provide a sufficient explanation for the factor solution

Table: 12 Factors extracted through PCA

From the Table 12, we get the eigenvalues which are the variances of the factors that have been extracted by using PCA method. Four factors have been extracted for this study whose eigenvalue is greater than 1, as they explain nearly 68 percent about the total variables taken into account. The rotation sums of squared loadings shown in the table represent the distribution of the variance after the varimax rotation. Varimax rotation is an orthogonal rotation which is commonly used, as it tries to maximize the variance of each of the factors in such a way that the total amount of variance accounted for is distributed over the five extracted factors.

PCA has been carried out in order to analyze the various components. PCA is a classical method. This linear transform has been widely used in data analysis and comparison. PCA is central to the study of multivariate data. PCA of a data matrix extracts the dominant pattern in the matrix in terms of a complimentary set of score and loading plots. The PCA gives the following result.

Table: 13Component Transformation Matrixes

Table :14 Rotated Component Matrixa

Extraction method: PCA

Rotation method: Varimax with Kaiser Normalization

On the basis of Rotated Component Matrix, the fifteen parameters in the schedule are segregated into four components. For each parameter, the highest factor loading has been taken for consideration under different components. Hence, the four components derived from PCA are as under:

Table: 15Result of Mann-Whitney Test

On the basis of the above four components, the four hypotheses have been generated for the study. The four null hypotheses for the study have been tested using SPSS. Mann-Whitney U Test has been conducted in order to validate the hypotheses. The Mann-Whitney U test is a nonparametric statistic test most frequently used to assess whether two independent groups are significantly different from each other. Thus, it is often referred as equivalent to 'Students'-t test'.

Table: 16Test Statistics

Interpretation

At 5% level of significance, The Mann-Whitney test statistic is insignificant for all the factors. Hence, we conclude that:

- There is no significant difference among male and female respondents regarding the lengthy procedure of commencing and dissolving business in Tripura.
- There is no significant difference among male and female respondents regarding the problems of doing business in Tripura.
- There is no significant difference among male and female respondents' perception regarding the procedural delay in property registration and starting of warehouses in Tripura.
- There is no significant difference in perception among the male and female respondents regarding the delay in construction of business establishments in Tripura.

Table: 17 Descriptive Statistics

From the Table 17, most of the respondents believe that the closing of business is time consuming (2.3650) while least number of respondents perceives that the resolving insolvency is time consuming (2.0450). The participants of the study believe that registration of property and raising funds are time consuming (2.3050), starting business (2.2900), getting electricity (2.2000), to start warehouses (2.1800), construction permission (2.1450), enforcing contracts (2.2650) is delayed in Tripura. The respondents further perceive that lobbying for favorable policies (2.2550), paying bribes (2.1300) and ethical deficiencies in regulations (2.2850) has undermined the morale of entrepreneurs of Tripura.

A Chi Square Test has been conducted to test the hypotheses generated under Part C of the schedule. A chi-square test for independence is applied when two categorical variables are generated from a single population. It is used to determine whether or not there is a significant association between two variables.

The hypothesis to be tested for Part C of the schedule is as follows:

- 1) H01: There is no association in the perception of respondents towards the strategies of managing business in Tripura.
- 2) HA1: There is association in the perception of respondents towards the strategies of managing business in Tripura.

Table: 18 Chi-square Results (Refer appendix for questionnaire)

Chi- square Results: At 5% level of significance

At 5% level of significance, the following null hypotheses were accepted

No significant relation (association) on the perception of respondents

The rejected null hypothesis

Analysis

A Chi-square test was performed and no relationship was found between the participants' gender (independent variable) and 9 (out of 10) questions (dependent variable) asked about the strategies to manage business in Tripura, $X^2(4, N=200) = 0.05, p = [.220, .250, .266, .506, .099, .286, .063, .538, .699]$.

The Pearson chi-square statistic tests whether the two variables are independent or not. If the value is significantly high ($p < .05$), indicating that a variable has no significant effect on the other. In other words, the highly significant result indicates that there is no association (pattern of response) between the male and female respondents.

Research Findings

- The study shows that in Tripura to start as well as to liquidate business is a delayed process.
- It indicates that to raise funds, to registry the property, to get electricity connectivity, payment of taxes, enforcing contracts, to start warehouses, to run cross border trade and resolving insolvency is time consuming ventures.
- The findings further shows that the participants of the study perceive that in the state paying bribes, lobbying for implementing favorable trade policies and ethical deficiencies has become a common business practice.
- The findings reveal that most of the respondents believe that regulatory system, investment norms and Tripura-VAT Act and rules need to be more rationalized. Single window system for clearance of documents and e-governance with easy disposal of all tax related litigations and all round infrastructure development should be prioritized.
- The results of the data analysis indicate that entrepreneurs expect protection of their assets from the local administration along with increase in the list of subsidized materials and finished goods.
- Lastly, the results of the present shows that there is no significant differences in the opinion of the male and female respondents regarding different strategies in managing business in Tripura except in the establishment of more number of industrial training centers in the state.

Conclusion

The study reveals that doing business in Tripura is not a smooth and easy process. From its commencement up to its liquidation the entrepreneurs face lot of problems ranging from procurement of funds, getting electricity connectivity, property registration, paying taxes, shortage of skilled laborers and even resolving bankruptcy. The entrepreneurs of the study believe that unethical practices have become a common phenomenon in Tripura. Delay in sanctioning vital permissions demoralizes the entrepreneurial enthusiasm. The respondents of the study perceive all-round changes in the trade policies of the government and expedite in its implementations. Although the study was carried out with 200 sample entrepreneurs from different parts of the state, but the findings of this present study indicate that the policymakers should made necessary changes in their existing practices and create investor friendly business environment in the state.

Scope for future research

Hardly, there has been any empirical research conducted in Tripura on the business environment. There lies a huge shortfall in the literature on this area in Tripura although studies have been conducted other parts of the country in different types dimensions of business but not holistically. This facilitates the need to expedite the research to address every related dimensions of this relevant issue of not only Tripura but also at a national arena by the Government as well as by the private sectors in order to have a fair understanding of the modus operandi and improvement in the environment to make it favorable for all the stakeholders.

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Appendix: Schedule

Note: The schedule has three sections, namely A, B and C. For each section the response style is mentioned in the beginning. You are requested to follow the response style and mark your response category by changing it into BLUE color. Your cooperation is highly appreciable.

Section A

GENERAL PROFILE OF RESPONDENTS

(The purpose of this Section is to collect the general information about the participants)

Section B

Opinion regarding experience of doing Business in Tripura

Please read each of the statements carefully and indicate your level of agreement and disagreement that you think is the best describing your opinion about chit funds. Indicate your response by changing the response category into BLUE color. Please use the following scale for giving your response.

A= Agree, SA= Strongly Agree, D= Disagree, SD= Strongly Disagree, DK= Do Not Know

SECTION C

Managing Business in Tripura

Please read each of the statements carefully and indicate your level of agreement and disagreement that you think is the best describing your opinion about chit funds. Indicate your response by changing the response category into BLUE color. Please use the following scale for giving your response.

A= Agree, SA= Strongly Agree, D= Disagree, SD= Strongly Disagree, DK= Do Not Know

Economy	Ease of Doing Business Rank	Filtered Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
<u>Sri Lanka</u>	85	1	2	4	1	5	3	4	8	1	3	2
<u>Maldives</u>	95	2	3	1	6	6	6	5	4	5	2	1
<u>Nepal</u>	105	3	6	3	3	1	1	5	5	7	4	7
Pakistan SUBNATIONAL	110	4	7	5	7	4	3	2	7	2	5	3
<u>Bangladesh</u>	130	5	4	2	8	8	5	1	2	3	7	5
India SUBNATIONAL	134	6	8	8	5	3	2	2	6	4	8	6
<u>Bhutan</u>	141	7	5	6	1	2	6	7	3	6	1	8
<u>Afghanistan</u>	164	8	1	7	4	7	8	8	1	8	6	4

Table: 2 Age group of Respondents

<i>Age Group</i>	<i>Frequency</i>	<i>Percentage</i>
18-25	42	21.00
26-35	34	17.00
36-45	85	42.50
46-65	31	15.50
66 and above	8	4.00
Total	200	100.00

Table: 3 Education levels of Respondents

<i>Level of Education</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Under Matriculation</i>	28	14.00
Matriculation	34	17.00
Higher Secondary	54	27.00
Graduate	46	23.00
Post graduate	14	7.00
Any other	24	12.00
Total	200	100.00

Table: 4 Religions of Respondents

<i>Religion</i>	<i>Frequency</i>	<i>Percentage</i>
Hinduism	88	44.00
Muslim	32	16.00
Christen	24	12.00
Buddhism	35	17.50
Jainism	16	8.00
Any other	5	2.50
Total	200	100.00

Table: 5 Castes of Respondents

<i>Caste</i>	<i>Frequency</i>	<i>Percentage</i>
General	96	48.00
Scheduled Caste	35	17.50
Scheduled Tribe	47	23.50
Other Backward Caste	22	11.00
Total	200	100.00

Table: 6 Marital Statuses

<i>Marital Status</i>	<i>Frequency</i>	<i>Percentage</i>
Single	34	17.00
Married	146	73.00
Widow	12	6.00
Divorcee	8	4.00
Total	200	100.00

Table: 7 Duration since you involved in business

<i>Duration</i>	<i>Frequency</i>	<i>Percentage</i>
0-2 years	35	17.50
2- 5 years	78	39.00
5 years and above	87	43.50
Total	200	100.00

Table: 8 Mode of finance

<i>Sources</i>	<i>Frequency</i>	<i>Percentage</i>
Own sources	47	23.50
Family sources	26	13.00
Debt from bank/FI	88	44.00
Govt. schemes	39	19.50
Total	200	100.00

Table: 9 Form of Business

<i>Sources</i>	<i>Frequency</i>	<i>Percentage</i>
Sole proprietorship	148	74.00
Partnership	34	17.00
Private company	12	6.00
Society	6	3.00
Total	200	100.00

Table: 10KMO and Bartlett's Testa

Table: 10KMO and Bartlett's Test^a		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.841
Bartlett's Test of Sphericity	Approx. Chi-Square	2599.934
	df	300
	Sig.	.000
a. Based on correlations		

Table :11Communalities

Table :11Communalities		
	Initial	Extraction
Starting business takes excessive time	1.000	.612
Construction permit procedure is lengthy	1.000	.638
Getting electricity is time consuming	1.000	.792
To start warehouse is a delay process	1.000	.623
Registration of property is lengthy	1.000	.637
Raising funds from banks/FIs is delayed	1.000	.630
Paying taxes is troublesome	1.000	.568
Cross border trade is not hassle free	1.000	.624
Enforcing contracts needs more time	1.000	.760
Resolving insolvency is time consuming	1.000	.577
Entrepreneurship enthusiasm lacks ethical regulations	1.000	.799
Lobbying is an acceptable business practice	1.000	.645
Operation bribes has become common phenomenon	1.000	.736
Shortage of skilled labor is a major problem	1.000	.839
Closing of business is time consuming	1.000	.783
Extraction Method: Principal Component Analysis.		

Table: 12 Factors extracted through PCA

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.329	35.524	35.524	5.329	35.524	35.524	2.846	18.973	18.973
2	1.458	9.718	45.242	1.458	9.718	45.242	2.792	18.610	37.583
3	1.267	8.448	53.690	1.267	8.448	53.690	2.177	14.511	52.095
4	1.148	7.650	61.340	1.148	7.650	61.340	1.329	8.859	60.954
5	1.063	7.087	68.427	1.063	7.087	68.427	1.121	7.473	68.427

Table: 13 Component Transformation Matrixes

Component	1	2	3	4
1	.630	.622	.439	.152
2	.381	.246	-.858	-.047
3	-.151	.350	-.016	-.857
4	.598	-.606	.176	-.444

Table :14 Rotated Component Matrixa

	Component			
	1	2	3	4
Operation bribes has become common phenomenon	.814	.211		.162
Starting business takes excessive time	.711	.165	.204	.175
Closing business is time consuming	.670	.527	.119	-.204
Entrepreneurship enthusiasm lacks ethical regulations	.639		.609	
Raising funds from banks/FIs is delayed	.638	.225	.289	
Enforcing contracts needs more time	.244	.766	.334	
Cross border trade is not hassle free	.217	.740		.147
Paying taxes is troublesome	.123	.695	.139	
Resolving insolvency is time consuming	.172	.648	.569	
Lobbying an acceptable business practice	.440	.512	-.228	.210
Registration of property is lengthy		.169	.768	
To start warehouse is time consuming	.131	.116	.738	.194
Construction permit procedure is lengthy				.795
Getting electricity is a time consuming	.215	.174	.128	.696
Shortage of skilled labor is a major problem		-.121		.907

Extraction method: PCA

Table: 15Result of Mann-Whitney Test

Component 1	Component 2	Component 3	Component 4
Operation bribes	Lobbying	Registration of property	Construction permit
Starting business	Resolving insolvency	To start warehouse	Shortage of skilled labor
Raising funds	Paying taxes	-----	Getting electricity
Ethical regulations	Cross border trade	-----	-----
Closing business	Enforcing contracts	-----	-----

Table: 16Test Statistics

Particulars	Mean_C1	Mean_C2	Mean_C3	Mean_C4
Mann-Whitney U	2343.500	2153.000	2388.000	2108.500
Wilcoxon W	3163.500	3412.000	3128.000	3278.000
Z	-.416	-.711	-.048	-.531
Asymp. Sig. (2-tailed)	.577	.569	.812	.721

Table: 18 Chi-square Results (Refer appendix for questionnaire)

Question No.	Pearson Chi-Square	Value	df	Asymp. Sig. (2-sided)
1	Pearson Chi-Square	5.730	4	.220
2	Pearson Chi-Square	5.838	4	.250
3	Pearson Chi-Square	5.213	4	.266
4	Pearson Chi-Square	3.321	4	.506
5	Pearson Chi-Square	7.808	4	.099
6	Pearson Chi-Square	5.015	4	.286
7	Pearson Chi-Square	8.910	4	.063
8	Pearson Chi-Square	9.752	4	.045
9	Pearson Chi-Square	3.123	4	.538
10	Pearson Chi-Square	2.198	4	.699

Q1	Do you believe that the regulatory system should be more rationalized?
Q2	Do you believe that the investment norms should be rationalized?
Q3	Do you believe that the single window system should be introduced?
Q4	Do you believe that the cent percent e-governance should be implemented?
Q5	Do you think that Tripura-VAT should be rationalized?
Q6	Do you believe that there should be quick disposal of tax related cases?
Q7	Do you believe that in all round infrastructure should be developed on priority basis?
Q9	Do you believe that the local administration should ensure protection of assets?
Q10	Do you believe that the list of subsidy should be broader?
Q8	Do you think that more skill development institutes should be set up?

1. Name of the Respondent:	
2. Date of birth:	
3. Contact number:	
4. E-mail address:	
5. Gender	Male
	Female
6. Marital Status:	Single
	Married
	Widow
	Divorcee
7. Age group:	18-25 years
	26-35 years
	36-45 years
	46-65 years
	66 and above
8. Educational Qualification:	Under Matriculation
	Matriculation
	Higher Secondary
	Graduate
	Post graduate
	Any other
9. Religion:	Hinduism
	Muslim
	Christian
	Buddhism
	Jainism
	Any other
10. Caste:	General
	Scheduled Cast
	Scheduled Tribe
	Other Backward Cast
11. Nature of occupation	Manufacturing
	Trading
	Business
	Any other
12. Type of Business you are involved	Wholesale
	Retail
	Construction
	Agency
	Import-Export
	Any other
13. Duration since you involved	0-2 years

1.	Starting business takes excessive time.	A	SA	D	SD	DK
2.	Construction permit procedure is lengthy.	A	SA	D	SD	DK
3.	Getting electricity is time consuming.	A	SA	D	SD	DK
4.	To start warehouse is a lengthy process.	A	SA	D	SD	DK
5.	Registration of property is too much lengthy.	A	SA	D	SD	DK
6.	Raising funds from banks/FIs is delayed.	A	SA	D	SD	DK
7.	Paying taxes is troublesome.	A	SA	D	SD	DK
8.	Cross border trade is not hassle free.	A	SA	D	SD	DK
9.	Enforcing contracts needs more time.	A	SA	D	SD	DK
10.	Resolving insolvency is time consuming.	A	SA	D	SD	DK
11.	Entrepreneurship enthusiasm lacks ethical regulations.	A	SA	D	SD	DK
12.	Lobbying has become an acceptable business practice.	A	SA	D	SD	DK
13.	Operation bribes are common phenomenon.	A	SA	D	SD	DK
14.	Shortage of skilled labor is a major problem.	A	SA	D	SD	DK
15.	Closing of business is time consuming.	A	SA	D	SD	DK

1.	Do you believe that the regulatory system should be more rationalized?	A	SA	D	SD	DK
2.	Do you believe that the investment norms should be rationalized?	A	SA	D	SD	DK
3.	Do you believe that the single window system should be introduced?	A	SA	D	SD	DK
4.	Do you believe that the cent percent e-governance should be implemented?	A	SA	D	SD	DK
5.	Do you think that Tripura-VAT should be rationalized?	A	SA	D	SD	DK
6.	Do you believe that there should be quick disposal of tax related cases?	A	SA	D	SD	DK
7.	Do you believe that in all round infrastructure should be developed on priority basis?	A	SA	D	SD	DK
8.	Do you think that more skill development institutes should be set up?	A	SA	D	SD	DK
9.	Do you believe that the local administration should ensure protection of assets?	A	SA	D	SD	DK
10.	Do you believe that the list of subsidy should be broader?	A	SA	D	SD	DK