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Sustainable Business Components: A New Way of Social Enterprising and Innovations

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ABSTRACT

In the present times environment and sustainability of businesses is the key factor for growing focus of the governments on developing green businesses. In terms of the different practices of maintaining the supply chains, green businesses are most important social form of enterprises providing livelihoods and value to the local resources. Since the launch of SDGs in 2015, the investments have also increased in green business world over. These enterprises are helping in conservation practices, bottom up upliftment and decentralisation of procurement systems. These are helping in protecting the species, reducing impacts of GHG emissions, and climate adaptation through sustainability of resources. The present article examines the key indicators of sustainable businesses, their impacts, benefits, challenges and environmental benefits. This also encompasses some of the case studies from Uttarakhand Himalayas, having some of the practices followed by the prospective green businesses in their supply chains.

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Keywords: Sustainability, environment, Sustainable businesses, livelihoods, decentralisation, SDGs, GHG emissions, supply chains, Himalayas, etc.

Introduction

Sustainability and sustainable business practices are two different phenomena in the research parlance. Sustainable business aims at developing products emanating from nature, while green business practices refer to the processes within the businesses, that are conserving resources used within the various resource use systems, such as Energy uses, material uses, waste disposal and management, efficiency of resource uses, minimizing the losses to biodiversity etc. With growing sustainability needs and environmental responsibility green businesses and related practices has become of utmost importance (Indarto et.al, 2023; Hariram et.al., 2023). The cross-sectoral business practices of economics and environmental sciences focuses on balancing profits alongwith addressing the environmental challenges therein (Daraojimba et.al., 2023). Most of the enterprises are adopting economical business practices aligned with Sustainable Development Goals, SDGs (Bapoo et.al., 2022; Hofmann, 2019).

The present article is focused on the development, planning, and accruing the benefits to the local communities that are producing them. It also refers to the benefits of production, supply chain and uses to the various factors of production. Some of the countries around the world have already entered into the process of certification for green businesses. Although, the details in the present case are non-analytical in nature, however, some of the case studies have been undertaken to supplement the examples.

In the present context of the Himalayas, it is observed that concerns of agriculture, livelihoods, animal husbandry, environmental, agroecological, tourism, migration and other resource related areas are continuously in focus for the state and national governments in India.

In the next section the background of the research has been outlined and indicators of the Sustainable businesses has been analysed from the researcher's perspective. The overall picture has been put forth for preparing basis of the data analysis, impacts and future prospects of development and research etc.

Sustainable Businesses

In the present decade, lots of changes in the entrepreneurship domain have been observed. These institutions are evolving to align their profit objectives to the environmental development goals of the governments (Nesterova & Robra, 2022, Ren & Jackson, 2020). Therefore, they are emerging as systems for sustaining the natural resources that are harmonious to resource rich agroecological zones. The objectives of profit encompasses the maximum extraction of resources and impacts to the present agroecology, the green businesses are therefore, balancing the dual objectives of profit and sustaining the resources.

On the similar lines, the engagements are competitive for these entrepreneurs, they are increasingly getting aware of the consumer demands and future problems of supply chain systems. These aggregated reasons are acting as a catalyzer for the various innovative solutions towards sustenance and compliance for balancing environmental impacts (Hoffman, 2021, Xu & Iyengar, 2023).

The innovations and researches are more inclined towards various components of the Sustainable and green businesses. A few prominent practices are detailed in the next section.

Components of Sustainable Businesses

The business functions and their components applied in the African context in 2010 (by Smith & Perks) on understanding how the business functions with the implementation of green practices in their operations. The truth about green businesses is that, more and more businesses are understanding the role of green practices in increasing the profits, lower costs and attract consumers (Friend, 2009). Many countries around the world have business models more or less based on costs then benefits of becoming green, whereas in the countries there are more regulations for adoption of green business models, new innovations and revenue rising models have flourished (Linias et.al., 2014).

In India, the Sustainable business or ecopreneurship is gaining momentum across India, decoupling environmental and economic performances (Nisha, 2018). It is also observed that various components of the green businesses are sub sectors of innovation for business systems and processes. The business sector is mainly oriented in the

Sustainable Business Components...

Table 1 : Types of businesses and Components therein

S.No.	Types of Businesses	Functions	Green Components
1	Service	Information Technology	Paper, machines
		Banking	Paper, office facilities
		Communication	Office facilities
		Health	Equipment's, medicines
		Education	Paper, Energy, materials
2	Manufacturing	Textile	Raw material, Dyes, Colors, packaging. Transport
		Automobile	Metals, paints, oils, fuel, leather, fiber etc.
		Handicraft	Raw materials, packaging, machinery
		Food processing	Raw materials, preservatives, cooling materials,
3	Primary	Agriculture	Organic fertilizers and pesticides, harvesting, transportation, energy for irrigation etc.
		Forestry	Resources, processing, transportation
		Mining	Mining equipment's, transportation

(Source: India Economic survey 2023)

three Primary, Secondary and Tertiary sectors, various requirements of greening in these sectoral areas is an important factor. In the following table a comprehensive set of components have been underlined from various researches (Sujaya et.al., 2019, Vinish et.al., 2015, Gandhi et.al., 2000, Ghosh, 2011, Wagh & Dongre, 2016):

Indicators of Sustainable Businesses

The various indicators have been identified by the business systems addressing green ecosystems are depicted in this section. These included consumptive and non-consumptive use of resources in their facilities. The various indicators are detailed below from various researches and articles (Khan, 2021; Bairwa et.al., 2014; Singh, 2007):

- a. Energy practices:
- b. Power consumption
- c. Building and construction

- d. Material utilization
- e. Processing methods
- f. Packaging
- g. Labelling
- h. Printing and paper
- i. Waste management
- j. Effluent management
- k. Supply chain and transport systems

It is therefore, of utmost importance for the businesses to be prepared and aware of the scarcity of resources. Metals like Copper and Nickel are getting scarcer, natural resources are getting depleted, exploitation of resources, waste and other effluents management has become governments priorities. It also requires clarity of terms and indicators for further extension of businesses, a complete earth centric approach clears the dilemma for future scope of work (Xu & Iyengar, 2023, Economic survey 2023).

Objective

- To distinguish Sustainable businesses and Sustainable business practices
- To analyse the components of Sustainable businesses in the Himalayas
- To analyse the indicators in the perspective of Sustainable businesses
- To Identify and supplement the analysis with successful case studies of the similar enterprises from resource rich Himalayan state of Uttarakhand

Data Requirements and Universe

For the present article/paper the sample space is chosen as the Himalayan state of Uttarakhand. It is mainly because of the presence of Ingenious Research and Development Foundation and established industrial sector utilizing resources from Himalayan and plain areas of the country. When the focus was on Uttarakhand, it also is understandable that the case studies for supplementation should be selected from these terrains.

Methodology

This article is developed on the basis of secondary and published sources which are taken into consideration for the analysis of the data. The information about the Sustainable business and its challenges and practices in India and abroad is collected from the published sources. The main sources are researches conducted so far, Interactions with Agriculture, Forestry and other similar departments, Interaction with similar enterprises, researchers and businesses. The case study is prepared in conversation with the enterprises and the communities therein. In the analysis part stakeholder's assessment is considered according to the objectives underlined (Kothari & Garg, 2019).

Status of Sustainable Businesses

To understand the status of sustainable business a primary analysis of the overall business scenario in India is the basis for interpreting. As per the Table 2, it is evident that, only 06 percent of the enterprises are in primary sector of business. It means that, at present it is apparent to keep the term green attached to all the products and processes for larger benefit of environment and economics. This is despite the minor use of green resources that the tertiary sector, but large volume of business requirements.

Table 2: Number businesses in different sectors

S.No.	Sectors	No. of businesses (%)
1	Primary	1,01,490 (6)
2	Secondary	3,89,044 (23)
3	Tertiary	12,00,961 (71)
	Total	16,91,495

(Source : Corporate Affairs Ministry, GoI, March 2024)

To see the status of Industries in Uttarakhand, an analysis is required for seeing through the lenses of sustainable businesses, a different classification has been analysed. In the table 3, it is narrated that the businesses are classified in 05 categories, with highest number of Micro units of businesses, followed by service sector units.

Table 3: Businesses categories in Uttarakhand

S.No.	Sectors	No of businesses
1	Micro	10862
2	Small	99
3	Medium	5
4	Manufacturing	4147
5	Service	6819
	Total	21.932

(Source: Deptt of Industries, Ease of doing business, 2024)

Impact Status and Benefit Sharing

The impact status of Sustainable businesses has been discussed with experts of the sector and a comprehensive list is outlined in the state of Uttarakhand. With the discussions and meetings of the experts and business it is outlined that the positive impacts of green businesses is multifold in comparison to the adverse ones.

Positive Impact—Environmental benefits, GHG emissions, society, Natural resource utilization, Resource management, Minimizing Pollution, Improved Air Quality and Water quality, Branding, Awareness, Packaging, Labelling, economic benefits, livelihoods, Adaptation, Mitigation, Resilience, Conservation, Propagation, Social Impact, Working conditions, Improved Health, Quality of Life (QoL)

Negative Impact—Cost to the consumers, higher market demands, awareness to the producers etc.

Analysis of Indicators in the Himalayan Sustainable Businesses

The sustainable businesses are an important pillar of development in the migration rid Himalayas. In this segment the identified indicators of green businesses are analysed with putting scores from 5 to 0, as highest to the lowest requirements of attention. The analysis shows that the businesses should have the maximum priority towards the indicators of power consumption and managing supply chains. Whereas, the minimum priority for now is given to the processing methods, labelling and packaging etc.

Table 4 : The Indicators and their importance

S.No.	Indicator	Score*
1	Energy practices:	4
2	Power consumption	5
3	Building and construction	3
4	Material utilization	5
5	Processing methods	1
6	Packaging	3
7	Labelling	2
8	Printing and paper	4
9	Effluent management	4
10	Supply chain and transport systems	5

(* 5-highest, 4-high, 3-average, 2-low, 1-lowest, 0-NA)

Case Studies

1. **The Berinag Tea (Parvatiya Chai Utpadan Swayatta Sahkarita):** It is a type of green tea based enterprise having long range stakeholders, such as: local communities and land owners, Tea Board, SME department and agriculture deptt. etc. Some of them are using Solar energy for processing needs of green and black tea and earning a handsome 40-50 lakhs annually. This enterprise is awarded as SDG goalkeeper and internationally recognized now from the UN. The important aspect of the location is being remote area of Berinag, Pithoragarh, Uttarakhand. The challenges include import of packaging material large transportation requirements for reducing dependency.
2. **The watermill enterprise:** Watermills are the ancient hydro energy-based grinding mechanism in the Himalayas. In one of the remote areas of Uttarkashi district of Uttarakhand. The Self Help Group members are part of the Enterprise for handling business model around. It uses a stream turbine to grind Wheatgrains, millets and spices providing 10000-15000

additional income to every member of the group. The members have gained a wide exposure of the fairs and markets and are capacitated to communicate the large business requirements. The major challenge is reducing local production and packaging at local level for the enterprise.

Conclusions and Recommendations

The analysis of sustainable businesses and related practices have shown benefits to both communities and environment. The development, planning and management are critical phases of managing green businesses. In many countries around world, Industries have adapted well to the quest for becoming green. In India, primary, secondary and tertiary sectors all have encompassing focus on becoming green. What components can be green, are underlined by researchers in various sectors such as: IT, Banking, Textiles, Handicraft, agriculture and Mining.

With the related Industry interactions, in the Himalayan context, its is observed that the country business is mainly focused on service sector in terms of numbers, whereas the state has maximum number of micro-enterprises. This implicates that in the geographically difficult terrains, businesses are smaller in size and nature and can be termed as green in terms of their output instead of processes.

These enterprises have a large number of sectoral benefits, vis-à-vis smaller negative impacts. Amongst the many indicators, green enterprises have a higher focus of responsibility towards managing Energy and supply chains to become profit making as green units.

The two case studies of Green tea and watermill based wheatflour enterprises clearly indicates that, they have a higher focus in terms of becoming green as managing packaging (which is mostly plastic based) and Trasport systems consuming higher amounts of fossil fuels. Therefore, the overall picture of categorizing business as green or any other colour is an important exercise derived from this paper. In the new tech enabled business era it is important to analyse the indicators of different business perspectives, leading to innovations in all the processes of business management.

Authorship Contribution

Anil Kumar Joshi- Data collection, analysis, preparation and finalization of draft.

Appendix: List of Organisation Interviewed

- Ingenious Research and Development Foundation
- Uttarakhand Agriculture Department
- Uttarakhand Biodiversity Board
- Solidaridad Asia Networks Ltd
- Berinag Tea
- Ganeshpur Watermillers Association
- SIIDCUL Haridwar

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