

Proceedings

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10 December 2016 to 11 December 2016

**Chitkara Business School,
Chitkara University, Punjab**

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PROGRAMME SCHEDULE

Day One (10th December, 2016, Saturday)

Time/Venue	Venue I	Venue II
	Bernaulli Hall	Faraday Hall
9:00 am – 9:40am	Registration	-
9:40 am – 10:00am	Welcome Tea	-
10:00 am – 10:15am	Welcome and Inaugural Address	-
10:15 am – 10:40am	Key Note Address (Industry Guest)	-
10:50 am- 12:50 noon	Technical Session I	Technical Session II
12:50 noon-1:00 noon		
Group Photograph Near Statue of Goddess Saraswati		
1:00-2:00 pm		
Conference Lunch at Food Square		
2:00pm-2:30 pm	Invited Talk by Industry Guest	-
2:30pm-4:30 pm	Technical Session III	Technical Session IV

PROGRAMME SCHEDULE

Day Two (11th December, 2016, Sunday)

Time/Venue	Venue I Bernaulli Hall	Venue II Faraday Hall
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Tea Break (12:30 to 12:50)		
12:50-01:20 pm	Invited Session By Industry Guest	
01:20-02:20 pm	Conference Lunch at Food Square	

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1	Health Spending in Selected OECD Countries	Gavurová Beáta ¹ Kočišová Kristína ² Sopko Jakub ³ ^{1,2} Associate Professor, ³ Technical University of Košice, Faculty of Economics, Department of Banking and Investments- Slovakia
2	Measurement of Revenue Efficiency: A Comparison of Different Approaches	Kočišová Kristína Associate Professor, Technical University of Košice, Faculty of Economics, Department of Banking and Investments- Slovakia
3	Enterprise Resource Planning (ERP) Implementation Related Factors in The National Commercial Bank NCB, Case Study from Libya	Almahdi M. S. Ibrahim ¹ BahlulM. Lawela ² ¹ Faculty of Economics and Accountancy, Sebha University, Libya ² National Commercial Bank, Libya
4	Performance, Efficiency and Impact of Foreign Banks in Host Countries: An Analytical Review of Academic Literature	Shilpa Sahota ¹ Babli Dhiman ² ¹ Research Scholar ² Associate Professor School of Business, Lovely Professional University, Phagwara (Punjab), India
5	Game Changing By Goods and Services Taxation (GST) In India	Deepak Tandon ¹ Aanchal Singhania ² Mitul Madan ³ ¹ Professor ^{2,3} PGDM – Final Year Students International Management Institute (IMI)- New Delhi
6	Management of Forex Risk Exposure: A Study of SMEs and Unlisted Non-Financial Firms in India	¹ Kiran Mehta ² Renuka Sharma ³ Aman Chugh ^{1,2} Associate Professor (Finance), Chitkara Business School ³ Managing Partner at Market Connected Advisor LLP and Research Scholar, Chitkara University
7	Does Grading of IPO in Indian Capital Market Impede the Problem of Under Pricing?	Ajay Sidana ¹ Neeru Sidana ² ^{1,2} Assistant Professor Lovely Professional University, Phagwara (Punjab)
8	Study and Analysis of Dividend Policies, Practice and its Application in Mumbai Based Corporate Houses	Smita Jape Assistant Professor, Dr.V.N. Bedekar Institute of Management Studies, Mumbai
9	A Study of Determinants of Exit Strategies by Venture Capitalists	Jogeshwar Preet Singh Kuckreja ¹ Kiran Mehta ² ¹ Head - EP (TS India), Technology Services India and Asia, The Royal Bank of Scotland Group and Research Scholar, Chitkara University, Punjab ² Associate Professor, Chitkara Business School, Chitkara University, Punjab
10	Dynamic Linkage between Indian Stock Market and Commodity Market	Gursimran Kaur ¹ Babli Dhiman ² ¹ Research Scholar ² Associate Professor School of Business, Lovely Professional University, Phagwara (Punjab), India
11	An Insight into Development and Delivery of Innovative Products and Services Adopted by Microfinance Institutions in India	Ambika Bhatia ¹ Chhavi kiran ² ¹ Associate Professor ² Junior Research Fellow Punjabi University Regional Centre for Information Technology and Management, Mohali, Punjab
12	Momentum and Contrarian Investment in Indian Stock Market	Ramandeep Kaur ¹ Rubeena Bajwa ² ¹ Junior Research Fellow ² Assistant Professor Sri Guru Granth Sahib World University, Fatehagarh Sahib
13	Assessment of Key Performance Indicators of Commercial Banks in India - A CAMEL Approach	Kanika Sachdeva ¹ P. Malarvizhi ² P. Sivakumar ³ ¹ Ph.D Scholar, Banasthali Vidyapith, Rajasthan ² Associate Professor, The NorthCap University, Gurgaon ³ Professor, EMPI Business School, New Delhi
14	Disclosures, Board Size & Composition,	Archana Goel ¹ Renuka Sharma ²

	Ownership Structure and Firm's Performance: Finding Future Research Perspectives	¹ Assistant Professor and Research Scholar, Chitkara Business School Chitkara University ² Associate Professor, Chitkara Business School, Chitkara University
15	Interest Rate Variation in Indian Banking Sector and USA	V.Chandra Sekhar ¹ S.V.G.Apoorva ² ¹ Professor ² Research Scholar Acharya Nagarjuna University, Andhra Pradesh
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19	IFRS Implementation – An Institutional Theory Perspective	Balwinder Singh ¹ Shivani Inder ² ¹ Chairman, Cost Accounting Standards Board, The Institute of Cost Accountants of India And Research Scholar ² Assistant Professor Chitkara Business School, Chitkara University, Punjab
20	Interdependence Dynamics of Commodity Derivatives and Macroeconomic Factors: Evidence from India	Shriram Anil Purankar ¹ Vipul Kumar Singh ² ¹ Assistant Professor, Jaypee Business School Jaypee Institute of Information Technology University- Noida ² Assistant Professor, National Institute of Industrial Engineering (NITIE) (Under Ministry of HRD, Govt. of India) Mumbai
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27	Deciphering the Theoretical Foundations of Investor Behavior: A Literature Review	Jasjit Dhillon ¹ Devinder Pal Singh ² ¹ Research Scholar ² Associate Professor Punjabi University Regional Centre, Mohali Email: jasjitdhillonmann@gmail.com

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38	Estimating the Income Tax Responsiveness in India: A Post Liberalization Era Analysis	Arun Sharma, Senior Research Fellow, Department of Commerce, Guru Nanak Dev University, Amritsar, Punjab
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Health Spending in Selected OECD Countries

Gavurová Beáta¹ Kočišová Kristína² Sopko Jakub

^{1,2}Associate Professor,

Technical University of Košice, Faculty of Economics, Department of Banking and Investments-
Slovakia

Email: jakub.sopko@tuke.sk

Abstract

Monitoring the development of health indicators compared with the economics of health financing offers a comprehensive overview of the health status of the population in OECD countries. In this paper, we analyse the health spending at the level of OECD countries. Analyse has been prepared on the basis of statistical data available from the OECD website. At the turn of 2008-2009 can be seen the rapid decline in the annual growth of GDP in OECD countries, while up to 2011 we can monitor a dropping of health expenditure in OECD countries. In the last three years, the tendency of growth in health spending is the same as the tendency of economic growth in OECD countries. The level of spending of resources on the health sector is in more than 20 OECD countries under the average of the whole sample. The level of spending in the USA is \$ 9024.2 per capita, which is almost three times more than the OECD average. In Slovakia, health spending is about 7% of GDP, as compared to the USA constitutes less than half of investments in health. The efficient utilisation of individual resources in the health system can be monitored by comparison of health expenditure with the length of life expectancy in the countries. Based on the results we see opportunities to improve the health situation in individual OECD countries.

Keywords: *Life expectancy, health financing, health expenditure.*

Measurement of Revenue Efficiency: A Comparison of Different Approaches

Kočišová Kristína

Associate Professor, Technical University of Košice, Faculty of Economics, Department of
Banking and Investments- Slovakia

E-mail: kristina.kocisova@tuke.sk

Abstract

This paper analyses revenue efficiency of the banking sectors in the European Union countries in 2015. The Data Envelopment Analysis (DEA) and traditional method of ratios were applied. The results of the DEA, by country, indicate that the revenue efficiency ranged from 34.47% in case of Greece to 100% in case of Germany, Denmark, Estonia, United Kingdom, Luxembourg, Malta, Netherland and Sweden. When we measured revenue efficiency by ratios we can see that the most efficient were banking sectors in Latvia and Romania, and the last efficient was banking sector in Greece. The revenue efficiency was also analysed in three groups of banking sectors, classified according to the volume of total assets. According to the DEA the large banking sectors seem to be most efficient and the least efficient were banking sectors in the small sized group. The situation was different when the method of ratios was applied, where the most efficient were banking sectors within the medium-sized group. In the last part of our analysis, four main European “regions” were determined, and average revenue efficiency was analysed within them. According to the DEA, the levels of efficiencies in the case of the Northern and Western European banking sectors were higher than the average in the whole sample; on the other hand, the average efficiencies in the case of the Southern and Eastern European banking sectors were under the total average. In the case of ratios the level of efficiencies were under the total average only in case of Southern European banking sectors. Comparing traditional method of ratios and DEA, we found that each method brings different results. Therefore, when analysing banks respectively banking sectors, it is appropriate to use more methods simultaneously.

Keywords: *Banking, Data Envelopment Analysis (DEA), Revenue Efficiency.*

Enterprise Resource Planning (ERP) Implementation Related Factors in The National Commercial Bank NCB, Case Study from Libya

Almahdi M. S. Ibrahim¹ BahlulM. Lawela²

¹Faculty of Economics and Accountancy, Sebha University, Libya

²National Commercial Bank, Libya

Abstract

Enterprise resource planning (ERP) system has been one of the most popular business management systems, providing benefits of real-time capabilities and seamless communication for business in large organizations. However, not all ERP implementations have been successful. Since ERP implementation affects entire organizations such as process, people, and culture, there are a number of challenges that companies may encounter in implementing ERP systems. Recently, some Banking have begun replacing their legacy systems with ERP systems to improve management, administration and productivity/performance. The broad aim of this research is to identify the related factors to the process of implementing an ERP system in NCB in Libya. On the basis of the main aim, a single case study approach was used for the purpose of answering the specified research questions, whereas a semi-structured interview has been chosen for the data collection process.

This study focuses on factors related to implement ERP project in the National Commercial Bank NCB in Libya. The researchers review previous studies that determine Critical Successful Factors (CSFs) to implement ERP in different environments. Based on the literature review, it has been noted that one of the most widely cited factors related to ERP implementation is top management commitment. Top management support appears to be an important characteristic in the process of ERP implementation. Training and education should be available and highly encouraged to reduce the resistance to the introduction of the new ERP system. The findings from the case study have been comprised with the literature. The results from this study contribute to contextual understanding.

Keywords: *Enterprise Resource Planning, ERP System Implementation Success, Business Process Re-Engineering.*

Performance, Efficiency and Impact of Foreign Banks in Host Countries: An Analytical Review of Academic Literature

Shilpa Sahota¹ Babli Dhiman²

¹Research Scholar ² Associate Professor

School of Business, Lovely Professional University, Phagwara (Punjab), India

Abstract

Banks acts as fuel for smooth functioning of any economy as general and financial sector as specific. Due to radical changes in the banking sector in the recent years, the central banks all around the world have improved their supervision quality and techniques. In this ever changing complex scenario, it is imperative to investigate and report the overall position of banks to ensure effective financial system in any economy. This paper presents an academic literature reviewed on DEA results with various approaches, techniques, models for the period from 1991-2016 at international level, CAMELS approach- Capital adequacy, assets quality, management efficiency, earning capacity, liquidity position and impact of foreign banks penetration on host commercial banks at national as well as international level. From literature review this paper demonstrated that DEA technique has used by researchers with models-input oriented (BCC), output oriented-(CCR), neural network, techniques- bootstrapping, Monte Carlo, simulation; approaches- intermediation, production, value added, two stage, three stage and different types of efficiencies- allocative, cost, profitability, marketability, technical, scale, revenue and operating efficiency. These results provide very valuable guidance for financial regulators, policy makers. In this article, also reviewed the papers used the CAMEL model framework to assess the financial, operation and managerial position of banks. This supervisory system in banking sector is considerable improvement over the earlier system in terms of frequency, coverage, position & focus. CAMEL Model highlighted the true picture of internal proceedings (adequacy of capital, quality of assets, capacity of maximum earning with sound liquidity position) of particular bank irrespective of its Market Capitalisation, size, index, trading on stock market and reforms adaptive capability. It is concluded that model revealed the on-site viability, soundness of banks from time to time, irrespective of the category.

Keywords: *CAMELS, Data Envelopment Analysis, Efficiency, Foreign Banks, Host Countries, Performance*

JEL Classification: *G2, G20, G21, G28, G210*

Game Changing By Goods and Services Taxation (GST) In India

Deepak Tandon¹ Aanchal Singhania² Mitul Madan³

¹Professor ^{2,3}PGDM – Final Year Students

International Management Institute (IMI)- New Delhi

Email: deepaktandon@imi.edu

Abstract

GST implementation in itself will reduce the cascading effect of tax on the cost of goods and services other than alcohol for human consumption. It will be a major reform in Indian economy in 2017. Its impact on various tax incidence, tax compliances, tax structure, reporting will be a uphill task by the Government in the days to come. GST will be levied both in the Centre as well as in state level concurrently. First proposed in April 2010, GST aims to bring efficiency and effectiveness in the tax administration of the nation thereby improving India's revenue structure. It will be introduced on 1 April, 2017 rolled out in pan India. Wider tax base, elimination of multiplicity of tax rates, cascading effect elimination of taxes, harmonisation of Centre and State administrations and automation of compliance parameters are the key areas discussed by the authors. The paper primarily focuses on the journey of the Indian taxation system with a prime focus on the GST implementation and its consequences. The goal is to show that the GST will not only improve the current situation of indirect taxation but will also boost the country's performance through reduction in black money and tax evasion to a great extent. The project of GST in India will be executed through in-depth research and analysis on Indian tax structure, the changes in indirect tax calculation due to removal of multi-level taxation and the future implications of GST on all the stakeholders. Through qualitative and quantitative analysis, the authors have tried to enlighten the revolution that GST will bring to shape the actions of the Indian government and also highlight the possible future of the new tax structure. Possible caselets devised by the authors will enrich understanding of the readers.

Key Words- *Valued added Tax (VAT), State Government tax, goods, and service tax,*

JEL Classification: *H250; H710; H770*

Management of Forex Risk Exposure: A Study of SMEs and Unlisted Non-Financial Firms in India

¹Kiran Mehta ²Renuka Sharma ³Aman Chugh

^{1,2}Associate Professor (Finance), Chitkara Business School

³ Managing Partner at Market Connected Advisor LLP and Research Scholar, Chitkara University

Abstract

Since the beginning of the era of LPG reforms (the 1990s) in India, there is a continuous increase in the currency risk of companies in India having any foreign operations, both exports, and imports. Yeo and Lai (2004) stated in their research that SMEs having international exposure are more exposed to foreign exchange risk in comparison to large sized firms. While Doidge, Griffin, and Williamson (2002) argued that the Forex risk exposure of SMEs is less in comparison to large firms. The mixed evidences available for the relevance of Forex currency risk hedging have provided a research gap to explore the real scenario of Forex risk hedging management by SMEs. Similarly, unlisted firms have also not been given due attention by the researchers to investigate about Forex risk hedging strategies by these companies. Most of the research evidences in the past were focused towards Forex risk management by large corporations. The present study has focused on both types of organizations in India. The study under consideration is based on primary data which is collected through a structured questionnaire. The owners, CEOs, Finance Controller or other managers involved in Forex hedging strategy makers were the respondents for collecting the relevant information. The proposed study will have implications for various stakeholders. It will be useful for SMEs and unlisted firms to make out the Forex risk management practices in India and recognize the determinants affecting the Forex risk hedging strategies.

Key Words: *Forex Risk, Hedging Instruments, SMEs, Unlisted Firms, India.*

Does Grading of IPO in Indian Capital Market Impede the Problem of Under Pricing?

Ajay Sidana¹ Neeru Sidana²

^{1,2}Assistant Professor

Lovely Professional University, Phagwara (Punjab)

Abstract

Purpose: Indian Capital market is characterized by information asymmetry and asymmetry of information has always led to persistent and pervasive under pricing in initial public offerings. With the intent to bridge this information asymmetry gap, SEBI introduced a concrete measure in form of IPO grading with intent of providing better dissemination of information for the benefit of Indian investors So retail investors can use this study to take better and informed investment decisions.

Research Design/Methodology: This paper is based on various literatures and articles Published in journals and magazines. Based on the study of 499 IPOs, inclusive of 199 graded IPOs listed on Bombay stock exchange from 2007 to 2015, the efficacy of IPO grading mechanism has been examined.

Findings: By applying the regression analysis, we can conclude that IPOs grade has helped bring more transparency and information asymmetry to the market. The study also shows that IPO grading was negative and significant for both raw return and market adjusted raw returns.

Practical implications: This study can be used by Indian investors to know relationship between age of the company, broad size, net profit after tax, board member age, issue Size and under pricing.

Key words: *Information Asymmetry, under pricing, IPOs, IPO grading.*

JEL Classification: *G11, G14, G15, G32.*

Study and Analysis of Dividend Policies, Practice and its Application in Mumbai Based Corporate Houses

Smita Jape
Assistant Professor,
Dr.V.N. Bedekar Institute of Management Studies, Mumbai

Abstract

In the present paper an attempt has been made to study dividend policy of Mumbai based companies of India. The study tries to assess the level of perceived awareness about models and use of dividends policies, analyses the factors affecting dividend distribution decisions and evaluates the impact of the same on the financial decision-making of companies. In addition the paper tries to understand the correlation between size of companies and distribution of dividend policies. The results of the research paper show that a majority of the fifty respondent Companies follow a policy of consistent dividend rate which is influenced by profit after tax, and finally the legal requirements. It is further observed that generous dividend or erratic divided policies are not popular choice among fifty respondent companies. The use of traditional method of dividend policies which suggests that market price increases with declaration of dividend is strong and dominant. Followed by the Modigliani Miller Method which indicates that dividend distribution has no impact on valuation .On the contrary it is found that Investment decisions influence share valuation .This is further followed by Walter Model where impact of dividend on share price depends on the IRR visa-a-vis cost of capital) and .Gordon Method in which dividend policy has an impact on share valuation. Statistical tests such as Friedman's ANOVA test, Kruskal-Wallis ANOVA and Karl Pearson's Coefficient of Correlation analysis are used for analysis and the validity of the collected data is checked by using Cronbach's alpha.

Keywords: Dividend Policy, Gordon Method, Lintner Model, Walter Model

A Study of Determinants of Exit Strategies by Venture Capitalists

Jogeshwar Preet Singh Kuckreja¹ Kiran Mehta²

¹Head - EP (TS India), Technology Services India and Asia, The Royal Bank of Scotland Group and Research Scholar, Chitkara University, Punjab

²Associate Professor, Chitkara Business School, Chitkara University, Punjab

Abstract

Defined by change in an era of new start up investment, it is important to understand and assess the determinants of exit strategies for superior returns. An inappropriate understanding on the ability of these exit determinants at any particular time can blow venture capitalist profits and returns. The macro view of exit environment much relies on the state of these determinants. These determinants not only considered as drivers of exit environment, but also help venture capitalist to mitigate the overall strategy, and their risk portfolio profile. This paper examines such determinants which are followed by practitioners and academicians, when it comes on decision making in the choice of the exit. It discusses the previous work, the interrelationship role of these determinants in a venture industry.

Key words: *Exit Strategies, Exit Routes, Venture capital, India.*

Dynamic Linkage between Indian Stock Market and Commodity Market

Gursimran Kaur¹ Babli Dhiman²

¹Research Scholar ²Associate Professor

School of Business, Lovely Professional University, Phagwara (Punjab), India

Email id: gursimrankaur70@gmail.com

Abstract

Both stocks and commodities become an important part in the portfolio allocation. In order to know the direction of commodity prices as well as stock indices, investors' continuously watch both the stock market as well as commodity market movements. A portfolio manager would be keen on understanding whether the commodities can be used as a hedge or safe haven for the stock market. Due to all these reasons, it is required to study the integration between these two markets. If two markets are highly integrated with each other, then the impact of shocks is also greater. Increased integration between the financial markets lead to provide investors with new ways to diversify and hedge their portfolio. This paper examines the dynamic linkage between the MCX Metal Commodity Index and CNX Metal Index for the period January 2009 to December 2015. Our empirical results show the presence of long run integration between MCX Metal Commodity Index and CNX Metal index during the study period. Further, unilateral causal relationship found between MCX Metal Commodity Index and CNX Metal Index. The findings of variance decomposition analysis also show that Metal Commodity returns lead Metal stock returns rather than other way around. Further the findings of impulse response function show that shocks in one variable have very little impact upon other variable.

Keywords: *Causal Relationship, Commodity Market, Granger Causality Test, Impulse Response, Johansen Co-integration Test, Stock Market, Variance Decomposition*

JEL Classification: *C32, C58, G11, G12*

An Insight into Development and Delivery of Innovative Products and Services Adopted by Microfinance Institutions in India

Ambika Bhatia¹ Chhavi kiran²

¹Associate Professor ²Junior Research Fellow

Punjabi University Regional Centre for Information Technology and Management,
Mohali, Punjab

Email: chhavi.kiran@gmail.com

Abstract

Rural development and poverty eradication have been considered as the most important agendas in the economic development programmes of government and non-government organizations in India. Microfinance Institutions (MFIs) which include credit unions, non-bank financial intermediaries, non-governmental organizations (NGOs) and even a few commercial banks have played a significant role in doing so. Simply stated Microfinance institutions are the ones which extends credit facilities to weaker sections of the society in order to enable them to become self-sufficient. In recent times Microfinance industry in India is at the stage of growth and diversification and technology has highlighted its importance here. Reports suggest that MFIs are operating in all 29 states, 4 Union Territories and in more than 588 districts. Initially ‘microcredit’ was the major product which was preferred by consumers but with the passage of time and varying dynamics of economy the needs of consumers have been changed. Consequently MFIs came up with varied products and services like insurance, savings etc. in order to cater to a larger section of the society. Gradually microfinance sector established its roots and due to emerging competition in this sector Microfinance Institutions were encouraged to formulate strategies for developing innovative products and services. Various strategies were adopted like multiple lending models, integration of various products, customizing financial products and delivery systems, tapping new market segments and so on. Through this paper an attempt has been made to provide an insight into different marketing strategies adopted by various Microfinance Institutions in India for introducing innovative products and services.

Keywords: *Microfinance Institutions, Innovative strategies, lending models, NGOs.*

JEL classification: *G21, I31, O39, P31*

Momentum and Contrarian Investment in Indian Stock Market

Ramandeep Kaur¹ Rubeena Bajwa²

¹Junior Research Fellow ²Assistant Professor

Sri Guru Granth Sahib World University, Fatehagarh Sahib

Email: raman199103@gmail.com

Abstract

The current study analyzed Indian stock market within the framework of momentum (buy stocks that have performed well and short sell stocks that have performed bad in the past) and contrarian strategies (badly performing companies stocks are bought and well performing are sold) using the monthly-adjusted prices of all the stocks listed on Bombay Stock exchange (BSE) 500 index having complete data for the sample period April 2006 to March 2014. The findings of the study document the presence of statistically significant short-term momentum and long term contrarian effect in India. The results of the study are in sync with the findings of Jegadeesh and Titman (1993).

Keywords: *Momentum, Contrarian, Investment Strategies, Market Indices.*

JEL classification: *G10, G11, G12, G14, G19.*

Assessment of Key Performance Indicators of Commercial Banks in India - A CAMEL Approach

Kanika Sachdeva¹ P. Malarvizhi² P. Sivakumar³

¹Ph.D Scholar, Banasthali Vidyapith, Rajasthan

²Associate Professor, The NorthCap University, Gurgaon

³Professor, EMPI Business School, New Delhi

Email Id: kanika.mba88@gmail.com

Abstract

Performance evaluation of banking sector is an effective measure and indicator to check the soundness of economic activity of an economy. Indian government has initiated a series of reforms which brought remarkable changes in the Indian banking sector during the last two decades. The present study aims at analyzing the performance of 68 commercial banks for the period of 2005-2015 using CAMEL approach. Capital adequacy, Asset management, Management quality, Earning quality, and Liquidity along with Return on asset, Return on Equity and Net Interest Margin were considered for the assessment of performance of commercial banks in this study. The study also uses panel data models to analyse the impact of CAMEL variables on ROA, ROE and NIM. The analysis was carried out for full study period (2005-2015), pre-crisis period (2005-2008), and post crisis period (2009-2015). The initial findings suggest that performance of foreign banks were found to be better than private and public sector banks. Both foreign and private banks reported significant growth in the post crisis period, whereas the performance of public sector was declined during the same period. Results from panel data regression suggest that asset management and earning quality contributes significantly on the performance of the bank, whereas capital adequacy and management quality are found to have insignificant impact.

Keywords: *Indian banking, CAMEL, Return on Asset, Commercial banks, Panel data*

JEL Code: *G34, G32, G21, G24*

Disclosures, Board Size & Composition, Ownership Structure and Firm's Performance: Finding Future Research Perspectives

Archana Goel¹ Renuka Sharma²

¹Assistant Professor and Research Scholar, Chitkara Business School
Chitkara University

²Associate Professor, Chitkara Business School, Chitkara University

Abstract

This monitoring role of board of director has enthralled augmented interest in recent years as a result of the sophisticated failures of companies such as Enron and WorldCom and successive corporate governance reforms. The efficacy of the board of directors as monitors relies upon various factors like qualifications and experience of board members, their possible participation in multiple directorships, their level of share-ownership and the type of remuneration scheme employed. The monitoring role performed by the board of directors is an important corporate governance control mechanism. Corporate Governance subject gained momentum after the glut of corporate scandals worldwide and collapse of the major corporate giants highlights the substance of corporate governance issues in last few decades. Though there is no accord among researchers on the outcome of these mechanisms of corporate governance on firm's performance. The present study has made an endeavor to review the literature on the association between corporate governance mechanism and firm's performance. Literature on corporate disclosure provides support to a link between corporate governance disclosure and firm's performance. On the other hand, the literature on association between the board characteristics and firm's performance provides mix results. Findings have determinedly shown corporate size and listing status to be predominantly allied with disclosure levels, while mixed results have been reported for leverage, profitability, and audit firm size. Indian is one of the countries here corporate governance systems are still in evolutionary stage so the findings of the present study will be useful for other newly liberalized and globalised economies.

Key Words: *Disclosures, Ownership Structure, firm Performance*

Interest Rate Variation in Indian Banking Sector and USA

V.Chandra Sekhar¹ S.V.G.Apoorva²

¹Professor ²Research Scholar

Acharya Nagarjuna University, Andhra Pradesh

Abstract

Banking system in an economy is like nervous system to a human body. Without banking operations there would be chaos in balance of payments and economical imbalances would make a great unrecoverable hollow in the financial situation of the country. Monetary policy designed by central bank of a country decides the financial scenario of that country. When vividly studied the tools used by both India and USA there has been a striking similarity that is “bank rates” which is a common tool used by both the countries to furnish the monetary policy which further paved the way for detailed study. The primary role of banks globally is to accept deposits and give loans to the public maintaining a reasonable percentage of profit. This paper specifies about the variations in interests on loans in India as well as USA. It is very much known fact that the interest rates are very much higher in India when compared to one of the developed countries of the world i.e., USA. Not only interests on personal loans but also interests on housing loans also have tremendous discrepancy in both the countries. India being a developing country is bearing high interest rates like 9-11% on the other hand USA is granting their loans for just 2-3% of interest. There is a gap in this situation which needs analysis of the reasons behind this difference which is tried to a certain extent to be explained in the full length of the paper.

Key Words: *Banking, Bank Rate, Interest Rate*

The Structure and Development of the Art Market, with a Special Focus on Art as an Investment

Sourabh Ghosh¹ Kiran Mehta²

¹Research Scholar, Chitkara Business School and Manager, Bank of India

² Associate Professor (Finance), Chitkara Business School, Chitkara University, Punjab

Abstract

The information efficiency of Indian equity market and debt market has been increased in last one decade and extensive research has been done in this regard. Therefore, there are less cues of anomalous behavior in stock market products and hence less chances of abnormal returns. All this has increased the inquisitiveness among investors to identify new asset classes where the possibility of significantly higher return is more. Art and antiquities are at hot discussion to be a great investment avenue for the investors as only a niche category of investors has a better understanding of pricing methods of this asset class. The present study has been undertaken in the background of an ever growing global Art Market. It takes a look at the structure and development of the Markets worldwide and in India, and studies the opportunities being presented and challenges they face. The paper also tries to explore whether art can be considered as an avenue for alternative investment, and the various risks and prospects involved thereof. Principles of investing in art and the strategies to be followed for investing have also been discussed. The performance and the prospects of the Indian Art Market and the relative performances of Indian Artists have been analyzed with the help of latest auction and sales data. An exciting field of Antiquities and Miniature Paintings, and its evolving markets and challenges have been touched upon too.

The paper concludes by raising some questions which still remain unanswered. Issues like development of a regulatory framework, an agency for authentication of works, and development of a credible pricing and valuation model, would go a long way in increasing art's acceptability as an alternative investment.

Key Words: *Asset Class, Art Market, Global Art Market, Antiquities and Miniature as Investment Avenue*

Impact of Fund Size on Fund Performance: A Study on Equity Mutual Funds in India

Saranleen Kaur¹ Rubeena Bajwa²

¹ Research Scholar ² Assistant Professor

Sri Guru Granth Sahib World University, Fatehagarh Sahib

Email: saranleenkaur@gmail.com

Abstract

Style investing has become important in the recent years. Focus on style helps institutional investors to organize and simplify their portfolio allocation decisions. Style investing in mutual funds helps in risk control and performance evaluation of the fund manager. The present research paper examines the performance of 221 equity mutual funds for the period from Jan 2013 to Dec 2015. The returns for the selected schemes have been computed from the monthly NAV values. BSE-sensex has been used for market portfolio. For the purpose of analysis, the sample has been classified as large cap, mid cap and small cap funds based of their AUM. The monthly returns of the selected mutual funds schemes have are compared with the market portfolios. Before conducting analysis on secondary data this study used ADF statistics to test unit root. The correlation coefficients have been computed monthly to ascertain the degree of relationship between fund performance (return, risk and Sharpe ratio) and fund size. Further, Analysis of variance was conducted to ascertain whether there is variation in the returns of large cap, mid cap and small cap funds. It was observed that there is significant difference between the returns of the large cap, mid cap and small cap funds. Thus the study found that there is no conclusive evidence in the given time period to suggest that the fund size affects the performance of equity mutual funds in India.

Keywords: *Style investing, portfolio allocation, Mutual fund style, fund size, sensex return, monthly return, risk, Sharpe ratio*

JEL Classification: *G11, G33; G23; G30; G11; G14; G10*

Trends of Employee Engagement in Indian Banking Industry

Hitakshi Dutta¹ Sandhir Sharma²

¹Research Scholar ²Dean, Chitkara Business School, Chitkara University, Punjab.

Email: hitakshi.dutta@chitkara.edu.in

Abstract

Banking is one of the dominant sectors in India's GDP contribution and a major source of employment. It is predominantly a customer focused business that provides a gamut of financial services in aid of advanced technology, prompt communication system and conception of various banks to cope up with multinational led environment. In essence, banks are service-based businesses, so most of their activities involve elements of service. A good customer service is the key to banks' growth and stability; the quality of its human capital is the most important defining factor in shaping its future. To emerge as strong and viable financial institution a priority should be given to human resource development to be leveraged to stay relevant and forge ahead in the business. Engaged employees work with passion and feel profound connection to their organization. They are socially connected with their work and are deeply involved which encourage them to develop better solutions and drive innovation to move the organization forward. The research paper endeavors to identify the trends of employee engagement drivers at different times to refer to psychological states, traits and behaviors as well as their antecedents and work environment. A longitudinal study is carried out to identify the employee engagement drivers that can be implemented in the human resource policies of Indian Banking Industry to create an engaged work force.

Keywords: *Employee Engagement, Banking, Drivers of Employee Engagement.*

JEL Classification: *G21, J24 J28, O15*

IFRS Implementation – An Institutional Theory Perspective

Balwinder Singh¹ Shivani Inder²

¹Chairman, Cost Accounting Standards Board, The Institute of Cost Accountants of India
And Research Scholar, Chitkara Business School

²Assistant Professor
Chitkara Business School, Chitkara University, Punjab

Abstract

Corporate Regulators in India have made it mandatory for Listed Entities and Other Large Entities to follow Ind AS aligned with International Financial Reporting Standards with effect from financial year 2016-17 and onwards, in phases. This study intends to review the literature for the challenges faced and perceived by corporates across different nations while implementing IFRS. Considering the theoretical framework of Institutional Theory, the study would attempt to bucket the factors under coercive, mimetic and normative isomorphism. The study would enable the policy makers to look out for the relevant grey areas where special attention is required to make IFRS implementation a success in an emerging economy like India.

Keywords: *IFRS, implementation, Institutional theory, isomorphism.*

Interdependence Dynamics of Commodity Derivatives and Macroeconomic Factors: Evidence from India

Shriram Anil Purankar¹ Vipul Kumar Singh²

¹Assistant Professor, Jaypee Business School

Jaypee Institute of Information Technology University- Noida

² Assistant Professor, National Institute of Industrial Engineering (NITIE)

(Under Ministry of HRD, Govt. of India) Mumbai

Email: purankar@gmail.com

Abstract

In the context of changing economic activity, segments of the economy is generally characterized by inclining or declining demand, and thus the associated demand in terms of commodities would be higher or lower. Because of this, we can expect cyclical movements in agriculture and metal commodity prices, if they are synchronized with economic activity. Therefore, it becomes obvious to detect the presence of counter-cyclical effects. Indeed, metal and agriculture commodities prices are influenced by the variations in demand, expected inflation and more generally by the growth rate of domestic and global industrial production. Hence, there is a strong economic rationale to find inter-relationships between these kinds of variables. Therefore, this research paper performs an in-depth econometric analysis between macroeconomic indicators and commodity markets of India. More particularly, this paper determines the extent to which commodity contracts vary together with the Inflation, Index of Industrial Production and Money Supply. Following unit root test results, the paper uses the Grangers Causality and Johansen cointegration analysis between commodities macroeconomic indicators. In addition, impulse response function of VAR model is used to analyze how long it will take to dampen down the potential effects of shocks of macroeconomic indicators on the price of the commodity variables.

Keywords: *Commodities, Johnson cointegration, MCX, NCDEX, Inflation, IIP, Money Supply.*

JEL Classification: *C010, C120, C320, C530*

What is Your Strategy for Knowledge Management? A Theoretical Framework

Rayees Farooq
Senior Research Fellow,
Lovely School of Business and arts,
Lovely Professional University, Phagwara, Jalandhar, Punjab, India
E-mail id: - rayeesfarooq@rediffmail.com

Abstract

The purpose of the study is to develop a theoretical framework of knowledge management strategies based on comprehensive review of literature. The knowledge management strategies (personalization, codification and competitive strategy) developed are elementary in nature which requires further development and refinement. The strategies developed are based on tacit and explicit knowledge distinction. The study concluded that organizations should choose the right strategy depending upon the nature of their businesses and adopting the wrong strategy can be problematic and may lead to the losses. The framework suggested was purely based on review of literature and can be empirically validated by identifying various statements for all the three dimensions including personalization, codification and competitive strategy in order to operationalize the framework. Managers and executives should learn how to convert tacit knowledge into explicit knowledge which is often referred to as knowledge sharing for gaining the competitive advantage.

Keywords: *Personalization strategy, Codification strategy and Competitive strategy*

A Study of the Attitude of Insurance Agents towards Hike in FDI Limit in Insurance Sector- With Special Reference to Sangrur and Patiala District

Neena Brar¹ B.S Bhatia² Rubeena Bajwa³

¹Research Scholar ²Dean Research ³Assistant Professor
Sri Guru Granth Sahib World University, Fatehgarh Sahib-Punjab

Abstract

FDI refers to inflows of Capital from abroad (home country) that invest in the production capacity of the other economy (host country) and are usually preferred over other forms of external finance. FDI brings ample benefits along and thus plays an indispensable role in the economic development of the country. India is a developing economy and numerous investors consider it an attractive destination for investment, particularly in its rapidly growing and dynamic insurance market. Thus, Indian insurance industry is one of the sector with huge potential for growth. The government of India has enhanced the foreign direct investment to 49% from 26% with full Indian management control and through the FIPB route. In the light of this, the current study focuses on the impact of FDI in insurance as perceived by insurance agents of public and private banks in terms of its' impact on Indian Economy, Credibility of New Entrants among Indian Customers and regarding stiff competition for the existing players. A quantitative survey is conducted. As per Convenience, the sample group consists of two districts i.e. Sangrur and Patiala so as to interview people particularly engaged in the field of Insurance. The results of the study reveal that hike in FDI limit in Insurance sector will not affect Indian ownership and control, thus it is welcomed by the insurance agents.

Keywords: *Economy, Effective, FDI, Investors, Inflows, Insurance*

JEL classification: *C42, F23, F35, G22, G32, H10*

A Comparative Study of Public and Private Sector Banks Using Camel Model

Jagjeet Kaur¹ Harsh Vineet Kaur²

¹Research Scholar ²Assistant Professor

Sri Guru Granth Sahib World University, Fatehgarh Sahib

Abstract

Banks are the pillars for the development of the economy. They are the storehouse of money. The main aim of this paper is to analysis and compares the financial performance of Indian public and private sector banks using the camel model. The CAMEL stands for various criteria through which bank performance will be measured .C stands for the capital adequacy; A stands for the assets quality of banks; E stands for the earning and profitability & L stands for the liquidity indicators. For the purpose of the study ten years data (2005-06 to 2014-15) of ten public and private sector banks will be taken. The banks will be selected on the basis of market capitalisation BSE (available on money control).

Key Words: *Financial performance, public sector bank, private sector bank, camel model.*

Does Company Size Bear any Relationship with the Probability of Failure? A Study of Indian Steel Sector

Ravi Singla¹ Gurmeet Singh²

¹Assistant Professor ²Junior Research Fellow

University School of Applied Management, Punjabi University, Patiala, Punjab

Abstract

Corporate failure is the situation when a firm becomes unable to pay debts when they come due and the market value of assets becomes lower than its total liabilities. The purpose of the paper is to explore the relationship between firm size and probability of failure for Indian steel sector companies by employing regression model. Altman's Z-score model has been used to derive the firm's probability of failure, whereas total assets and total sales are utilized as indicators for firm's size. The results indicate that size is inversely related to the probability of failure. With an increase in the size of the firm; probability of failure decreases and vice-versa.

Key words: *Corporate failure, Altman's model, probability of failure*

A Study of Adoption and Resistance Behavior for Mobile Banking in India

Asha Rani¹ Kiran Mehta²

¹Research Scholar ² Associate Professor (Finance)
Chitkara Business School, Chitkara University, Punjab

Abstract

Most of research in the context of Mobile Banking in India has focused either solely on adoption behavior employing DOI, UTAUT, TAM, and Trust extended TAM models or solely on resistance behavior using consumer resistance theory. But no research has been conducted on both the dimensions yet. The study under consideration has considered various factors determining both, adoption and resistance behavior for mobile banking usage. The present study is based on primary data for which a structured questionnaire was used. The data reveals that 93% respondents were using mobile phone but the only 48% respondents were using mobile banking. The findings of the study have implications for various stakeholders including banks, regulators, bank customers, academicians and researchers as it helps to understand that how mobile banking can be used to increase the financial inclusion in India.

Key Words: *Adoption Behavior, India, Financial Inclusion, Resistance Behavior, Mobile Banking*

Comparative Study of Customer Satisfaction among Public and Private Sector Banks

Ms. Natasha

Assistant Professor, Dharmanand Uniyal Government Degree College,
Narendra nagar, Tehri Garhwal, Uttarakhand.

Email: natasha_ahuja12@yahoo.co.in

Abstract

In the present scenario, successful corporations gain competitive advantage through increased efficiency, high quality of service and improved customers relationship. Nowadays banks have realized that cost of attracting a new customer is much more than retaining existing customers, so banks are emphasizing more upon customer satisfaction. These days customers demand for top quality services and products served with minimum wait time, so customers prefer techno- savvy banks as well bankers. At this backdrop, the main problem today before the commercial banks, more particularly the public sector banks in India which were earlier operating in a sheltered regime after nationalization, is their long-run survival, tapping quality customers and forging way ahead by retaining their valued customers. In banking sector, the whole range of activity and generation of income swivels around the customer. From a very comfortable and peaceful environment, now the Indian Banking Sector is characterized by stiff competition for the customer's satisfaction and profit war between different banking groups i.e. (Private bank vs. Nationalized Bank). This paper tries to analyze the comparative analysis of customer satisfaction among these two categories of banks – public and private sector banks using the list of service attributes based on SERVQUAL method. Convenient sampling technique is adopted and sample size of the data is 100 from Ambala. This study is just a small step in understanding the multi Dimensional construct of service quality and its implications in today's competitive environment. The current research paper attempts to make a comparative analysis of level of customer satisfaction towards services provided by public and private sector banks. This study is based on questionnaire method. The statistical tests are conducted at 5% and 1% level of significant the main statistical tools are used.

Keywords: *Customer Satisfaction, Banking.*

Deciphering the Theoretical Foundations of Investor Behavior: A Literature

Review

Jasjit Dhillon¹ Devinder Pal Singh²
¹Research Scholar ²Associate Professor
Punjabi University Regional Centre, Mohali
Email: jasjitdhillonmann@gmail.com

Abstract

Behavioral finance has captivated considerable importance in the last two decades. It is because investors rarely adhere to the assumptions put forward by the traditional and economic theories. Behavioral finance is a study of psychological variables, which influence the investors' financial decisions. Behavioral finance encompasses investigation that drops the traditional assumptions of logical investors in efficient markets that aim to derive maximum utility. The existent literature is bereft of any literature review based consolidated work on behavioral finance. Relying on extant literature this paper unfolds the theoretical foundations of behavioral finance. It focuses on published international research on investor behavior from across the world. The paper deliberates upon the traditional behavioral theories and attempts to underpin the contemporary theories and models of behavioral finance. The paper is structured as a comprehensive literature review of behavioral finance, and includes both the seminal works as well as more recent papers. While the existing research work has helped in developing a good level of understanding in numerous issues pertaining to behavioral finance, but thereafter several research questions remain unanswered. Further, no effort was made to consolidate and synthesize this stream of research. The study tries to present the key issues in current and emerging literature and propose important questions and directions for future research.

Keywords: *Behavioral finance, behavioral theories, investor behaviour.*

Impact of E-banking on Performance of Commercial Banks in India: A Panel

Data Approach

Kanika Sachdeva¹ P. Sivakumar²

¹ Ph.D Scholar, Banasthali Vidyapith, Rajasthan

² Professor, EMPI Business School, New Delhi

Email Id: kanika.mba88@gmail.com

Abstract

The onset of economic and financial reforms has changed the functioning of banking system in India. Electronic banking has become one of the most important and modern application that has witnessed a substantial expansion in Indian Banking Industry. The banks are now offering their services mainly through electronic banking system. However, the existing literatures related to impact of e-banking on performance of commercial banks in India are limited. Against this background, this paper examines the impact of e-banking on performance of commercial banks in India for the period 2009 – 2015. Return on Asset and Return on Equity are considered as bank performance variables and number of ATMs installed, total number of online transactions, and total amount of online transactions are considered as e-banking variables. The present study covers 48 banks including 26 Public sector banks, 19 Private Banks and 3 Foreign banks operating in India. Other independent variables, such as, Size, Capital Adequacy Ratio, Asset Quality, Liquidity, and Market Share are also considered in this study. The study employs panel data technique and the results were estimated using fixed and random effect models. The result shows that the impact of e-banking variables are found to be significant with bank performance variables in case of public sector banks. On the other hand performance of private banks and foreign banks exhibit insignificant relationship with e-banking variables. Overall results indicate that asset quality, size, liquidity, market share, and total amount of online transaction found to have significant impact on the performance of commercial banks in India.

Keywords: *Electronic Banking, Bank Performance, Indian Banking, Panel Data*

JEL Classification: *G21, C55, N25*

Is Efficiency and Productivity of Public, Private and Foreign Banks Really Differ?

Pooja Sharma
Senior Research Fellow
Kurukshetra University, Kurukshetra

Abstract

Banking is one of the important pillars of Indian economy. Today's banking has changed a lot from its traditional role. New dimensions and technology has totally altered its old portrait. In light of this present paper has made an attempt to study the productivity measurement of banking sector in the country. Data Envelopment Analysis based Malmquist Index (MI) has been used here to study the total factor productivity and its various components in banking sector. The findings of the study suggests that where public and private sector banks have progressed in terms of total factor productivity, the foreign sector banks regressed in this during the study period. Further, the technological change found to be major driving factor influencing the total factor productivity of banks. In aggregate terms, all three sectors (public, private and foreign sector banks) found to be performing at same level in efficiency and productivity.

Key Words: *Total factor productivity, banks and Malmquist Index.*

Customer Satisfaction Trends in Banking Industry-A Literature Review

Munish Kumar¹ Sandhir Sharma²

¹Assistant Professor, Chitkara College of Sales and Retail Marketing
Chitkara University, Punjab

²Dean, Chitkara Business School, Chitkara University, Punjab

E-mail ID: munish.kumar@chitkara.edu.in

Abstract

Now a days banking has changed because banking services are no more based on Brick and mortar structure. Due to Continues growth of technology, increasing customer base, evolution of alternate banking channels, has changed the way of banking services, so hence the customer satisfaction. Banking is a customer oriented service industry and customer satisfaction has become the most important aspect of any banking business due to immense competition. Banks are more determined to retain their existing customers by providing quality services leading to Customer satisfaction. The concepts and determinants of customer satisfaction has changed significantly as transition has taken place from traditional to modern banking. This could be witnessed by exploring the literature regarding customer satisfaction in banking industry. This paper is based on extensive literature review and attempts to investigate how the concepts and determinants of customer satisfaction has changed significantly during the transition from traditional to modern banking. The findings of the study will provide an important insight into the past trends of customer satisfaction and will provide a base for the bank managers to devise customer satisfaction strategies in near future.

Keywords: *Customer satisfaction; Traditional and Modern banking*

**Open Offer and its Impact on Price Behavior and Shareholder's Wealth:
An Empirical Investigation of Selected Indian companies Listed on
S&P BSE 500**

Rajit Verma¹ Anil K. Mittal²
¹Research Scholar, ²Professor
Kurukshetra University

Abstract

This paper examines the announcements of open offer and its impact on the price behavior before and after the announcement date along with impact on shareholders' wealth of selected Indian companies. An open offer is a prominent tool to buy back the shares from the existing shareholders. This paper examines both fixed price tender offer and open market repurchase of shares through stock exchanges. This paper makes an attempt to analyze the returns for a sample of 119 buy back announcements made through open offer for a period of April 2010 to March 2016. In this study only those companies which are listed on S&P BSE 500 were taken in to consideration. An estimation window of 200 days was used for the purpose of market returns calculation using ordinary least square (OLS) regression analysis. An event window of 61 days (-30 days, 0 day and +30 days) was used to calculate the Average Abnormal return (AAR) and Cumulative Abnormal return (CAR) at a significance level of 5%. The study shows the significant abnormal return around announcement day in almost maximum companies. But the AAR has not been found significant beyond certain time horizon. This indicates that the announcement impact already reflected in the share price of the companies.

Keywords: *Open Offer; Estimation window; Event window; AAR; CAR*

The Fallacy of Profitability through Loyalty in Banking: The Growing Importance of Acquiring a New Customer

Swati Vashishtha & Dr. Sandhir Sharma

Research Scholar, Chitkara Business School, Chitkara University, Punjab

Professor & Dean, Chitkara Business School, Chitkara University, Punjab

Email: swati.vashishtha@chitkarauniversity.edu.in

Abstract

The banking practitioners have always been in a constant discussion on understanding the customer base that drives profitability. This effort is equally applied by commercial, retail and trust banking. With respect to retail banking the customer base is assessed using new customer acquisition strategies and the retention strategies for the existing customers. The banks have been striving to improve their profitability position by increasing their customer retention rates. An article cites that it is as easy as enhancing profits by a 100 per cent by retaining an additional 5 per cent of customers. The arguments in favour of retention have been challenged at various places and it has been stated that its advocacy to enhance profitability is conflicting in the present era of changing customer loyalty. This article brings about the relevance of new customer acquisition in contrast to customer retention. With a rising customer defection rates in banking, there is an ever growing need to come out of the seductive arguments given in favour of retention. This empirical investigation primarily defeats the arguments in favour of retention like year by year positive cash flows and has focused on analyzing the banking customer perception towards customer acquisition using 7 P's of selected commercial banks. The empirical research brings out the important elements that are considered relevant by a new customer.

Key Words: *Banking, profitability, customer retention, customer acquisition, commercial banks*

Financial Risk Assessment and Management by Banks: Evidences from Past Research

Gurpreet Kaur¹ Renuka Sharma²

¹Assistant Professor and Research Scholar, Chitkara Business School

²Associate Professor, Chitkara Business School, Chitkara University- Punjab

Abstract

Financial soundness of banking sector is certainly spine of every economy. Failure of giant banks devastates not only the domestic economy but it also puts the globe at wager. The best example of this is collapse of Lehman brothers in 2008. In this milieu, it is very crucial to investigate the financial soundness of domestic banks. New economic policy, 1991 have significantly changed the facade of Indian Banking Industry. The banking industry has stimulated slowly from a regulated environment to a deregulated market economy. Banking sector is exposed to various types of risks. Risk is defined as anything that can generate hindrances in the way of attainment of certain objectives. In the present study researcher has focussed on the determinants of riskiness of the Indian banking sector and various measures taken by RBI to curb the risk. A secondary data review reveals that the Indian commercial banks are exposed to various risks such as liquidity risk, credit risk, interest rate risk, market risk, operational risks etc. Different studies have applied different analysis techniques for assessing the riskiness such as Altman's Z Score, GAP Analysis, Data Envelopment Analysis, Tobit-Regression Model, Back Propagation Neural Network, Black Scholes-Merton option valuation, ANOVA, CAMEL Model, Sensitivity Analysis etc. The recent regulatory practices of RBI to curb such risk have been assessed. The literature review reveal that an empirical study needs to be done to analyse all the parameters affecting the banking industry. Moreover, the future research needs to be conducted in exploring alternative techniques for developing risk management scores.

Key words: *Banking, Market Risk, Operational Risk*

A Conceptual Model of Frugal Innovation: Is Environmental Munificence a Missing link?

Rayees Farooq

Senior Research Fellow, Mittal School of Business, Lovely Professional University, Phagwara, Jalandhar, Punjab, India.

E-mail id: - rayeesfarooq@rediffmail.com

Abstract

One of the emerging topics, the essence of which is captured by the word *Jugaad* which is often used in the Indian context which means doing more with less has gained a lot of attention from both emerging and advanced economies. The aim of the study was to propose a conceptual model of frugal innovation based on previous studies. The study conceptualized certain dimensions to measure frugal innovation and for each dimension a proposition was framed. The study was exploratory in nature and was based on comprehensive review of literature. The study postulates that environmental munificence moderates the relationship between frugal innovation and value creation. For frugal innovation to be successful it is inevitable for the organizations to utilize fewer resources in order to gain sustainable competitive advantage. The dimensions proposed (affordability, simplicity, quality, sustainability, resilience, management support and Defeating) in the study were selected from thorough review of literature. The study concluded that organizations can use this framework to increase their value creation by adopting the philosophy of doing better with less at the bottom of the pyramid. The study can be very supportive for the researchers and academicians for having a better understanding of frugal innovation from the emerging markets. The study was based on theoretical perspective and can be further extended by empirically validating the conceptual model of frugal innovation. The study raises a couple of research questions like to what extent these dimensions measure the frugal innovation? Do they emerge from a literature review? Do these dimensions leads to the value creation? Therefore it can be concluded that frugal innovation is underdeveloped and requires further refinement by empirically validating the dimensions.

Keywords: *Frugal innovation, value creation and environmental munificence*

Study of Public and Private Sector Banks –Comparative Analysis

Preeti Sareen
Assistant Professor
Dev Samaj College for women, Sector 45, Chandigarh
Email: preetikaushal19@gmail.com

Abstract

With the economic reforms getting in place for the Indian Banking system, we are seeing very positive changes. Banking industry is the strength of any economy of the world. With the coming up of the multinational banks in India, the public sector banks have faced immense competition, in terms of servicing the clients, banking facilities, staff interaction and many more to go. Public sector banks in turn have their edge in their strong rural presence unlike the private sector banks. The study aims to compare the customer satisfaction and perception regarding the public and private sector banks. A sample of 50 customers is taken. Questionnaire is used to collect the information from the respondents.

Key Words: *Public sector banks, private sector banks, comparison*

A Comprehensive Review of Microfinance in India and a Study of Microfinance Institutions in Guntur District, Andhra Pradesh

D. Prasanna Kumar¹ K. Venkateswara Raju²
KLU Business School, KL University, Vaddeswaram, Guntur

Abstract

Despite decades of Economic growth India was not able to improve its economic status as a developed country, the main cause being inability to tackle the prevalent property of its population. Microfinance institutions (MFI's) are organizations which will be offering various services related to finance and help in financial inclusion of the low income strata of population by offering them loans and sometimes insurance services also after enrolling them in their group complementing the aim of the government in taking credit as well as financial services to each and every citizen of the country in particular the poorest of the poor who are being provided any Bank access or serviced by any government organizations and they act as the most appropriate tool for reducing the poverty rate by acting as a bridge to fill the gap between rural as well as urban poor and formal financial institutions. In this research article we tried to understand the various aspects related to MICROFINNCE in GUNTUR by collecting data from 100 MICROFINANCE employees and 109 MFI clients and analyzed data using SPSS 16 and presented it along with findings observed in the field search.

Key Words: *Microfinance, insurance, services*

Estimating the Income Tax Responsiveness in India: A Post Liberalization Era Analysis

Arun Sharma, Senior Research Fellow, Department of Commerce,
Guru Nanak Dev University, Amritsar, Punjab

Abstract

Purpose:

Estimation of income tax revenue responsiveness in India post the structural reforms of 1991.

Design/methodology/approach:

Examining trends in income tax revenue using the measure of tax to GDP ratio and estimation of income tax revenue buoyancy for the period 1991- 2015 using the Divisia index approach

Findings:

The tax buoyancy coefficient for the study period has been found to be 1.879 . The tax elasticity coefficient for the period 1991-2015 has been 0.53 , thus depicting the low level of automatic responsiveness of income tax revenue to the changes in economic growth post the reforms era. The regression results depict that the present model explains 20.8 per cent variance in the dependent variable, income tax revenue.

Research limitations/implications:

In the light of present results, efforts to further the strengthening of the income tax system and solicitation of enhanced tax compliance calls for focused efforts on some core areas enumerated as under:

- ❖ Efforts to capture incomes in unorganized sector and belonging to certain hard to tax groups
- ❖ Imparting tax morale as a part of educational curriculum, &
- ❖ Building public trust in Governance and Democratic institutions

Keywords: *Tax Compliance, Income-tax, Tax Buoyancy, tax responsiveness.*

Innovative India: Lessons from Emerging Economies

Pooja Chaudhary¹ Ripunjaya K Chauhan²
Assistant Professor, Chitkara Business School-Punjab
Email: pooja.chaudhary@chitkara.edu.in

Abstract

The term Emerging Economies envisages a high potential of Economic growth, increased productivity with better quality, led by grass-root innovations. This paper attempts to go through the whole gambit of innovation process from conceptualisation, ideation to their dissemination, commercialization and utilisation in these economies. Attempt is also made to understand the unique obstacles and opportunities that are faced in all Emerging Markets while attempting to create and implement innovative ideas and products. The paper builds on different cases from some of these countries and extracts from success stories of their innovation to highlight the role of innovation as an essential catalyst of economy.

This paper also examines India as an emerging economy striving with the challenges and competitions in this crucial field. It examines different determinants of innovation in India and also analyses varying pace for innovative experiments. This leads to an analysis of role that innovation plays in economic growth and technological up gradation in all sectors. The primary source of study and analysis is a comprehensive database to identify the key determinants of innovation in India.

Innovation is being given importance in Emerging Economies for the very survival and sustainability of their economies. Innovation-led growth and innovation-led socioeconomic development are major strategic thrusts in a highly integrated economies and fierce competition of multinational giants. This paper provides valuable insight into innovation system and innovation policy status in emerging Economies.

Key Words: *Emerging Economies, India, Innovation, Determinants, Economic Growth.*

Export Competitiveness of Indian Textile Industry: Revealed Comparative Advantage Analysis

Rahul Dhiman¹ Manoj Sharma²

¹Assistant Professor, Chitkara Business School, Chitkara University,
Punjab

²Assistant Professor, Department of Management & Humanities,
National Institute of Technology, Hamirpur (Himachal Pradesh)

Email: rahul.dhiman@chitkara.edu.in

Abstract

Purpose- The major contributor for evaluating the development of any nation depends upon the export of its industrial products. The Indian textile sector contributes significantly in generating employment and industrial output after agriculture as it provides employment to more than 40 million people. India is known for its cheap labour as compared to the world. The present study makes an attempt and examines the export competitiveness of Indian textile industry in the world market. The previous researchers predict that India will get a major share of the world textiles and clothing trade due to the comparative advantage of cheap labour. Therefore, the aim of this research is evaluation of the competitiveness of Indian textile products in the world market by using Revealed Comparative Advantage index (RCA) during the period of 2010 to 2014 and also to evaluate Compounded Annual Growth Rates (CAGR) of textile commodities. The present study also highlights various barriers towards the growth of export share of India in world market and also offers suggestions to decision makers in order to enhance India's export share in the world market.

Design/Methodology/Approach- The competitiveness of Indian Textile Exports is calculated with the help of Revealed Comparative Advantage (RCA) of different product group of Textile industry under 02 digit Harmonised System Code HS 50 to HS 60. Dynamic RCA has also been calculated for 1980, 1990, 2000, 2010 and 2014. The study also examines the compounded annual growth rates of textile commodities and share of Indian textile exports in the world as well as India's total exports from 2010 to 2014. The study could not take in to account year 2015 due to non availability of data in WTO data base.

Findings- Our results indicate that majority of the textile products possess competitive advantage while some of them don't. Out of total eleven products, seven products are competitive as the value of Revealed Comparative Advantage is greater than one. The various textile commodities such as Silk; Cotton; Vegetable textile fibres, paper yarn, woven fabric; Manmade filament; Manmade staple fibers; Carpets and other textile floor coverings and Special woven or tufted fabric, lace, tapestry etc. are found to be competitive. Impregnated, coated or laminated textile fabric and Special woven or tufted fabric, lace, tapestry are the commodities which are growing at rapid rate. The study suggests that government support is mandatory in order to transform the labor productivity and technology upgradation to match the world standards.

Originality/Value: This paper has calculated the Revealed Comparative Advantage indices over specific period of time up to 02 digits HS classification i.e. HS 50 to HS 60. The present study also highlights various restrictions and offer suggestions to the decision makers so that export shares of Indian textile commodities in the world market can be enhanced.

Keywords: *Export Competitiveness, Export Performance, Revealed Comparative Advantage.*

Style Investing and Persistence of Mutual Funds Performance

Sarabjeet Singh¹ Kiran Mehta²

¹ Assistant Professor ² Associate Professor

Chitkara Business School, Chitkara University, Punjab

Email ID: sarabjeet.singh@chitkara.edu.in

Abstract

Indian Mutual fund managers has been facing a lot of challenges to survive and retain the confidence of existing as well as potential investors for their participation in the share of Indian mutual funds industry and further as an outcome of LPG, this has become a prime concern for fund managers. In this paper, an attempt has been made to evaluate the performance of best equity funds that have stood the test of times; bull and bear markets, recession, global upheavals and local turmoil and still continue to perform and produce results. The study reviews the existing literature on the style investment of fund managers over a long time frame of approximately 15 years. The study tries to conceptualise the link between the performance and investment style of mutual fund managers through the various past studies. The findings of the study would enable the various stakeholders in identifying the reasons behind the winners and losers of the mutual fund industry based on fund manager's style.

Key words: *Equity Mutual funds, style investment, portfolio managers.*

Banker's Perceptions towards Challenges and Perceived Importance of Internet Banking

Rajni Bhalla¹ Inderpal Singh Arora² Sanjeev K. Bansal³

¹Assistant Prof. in Commerce, Panjab University Constituent College, Nihal Singh Wala. Moga, rajnibhalla49@yahoo.in, 9878810908.

²Dr. Inderpal Singh Arora, Associate Prof. in Management, KCLIMIT, Jalandhar, arora_indepal@yahoo.co.in, 9914320506.

³CA (Dr.) Sanjeev K. Bansal, Assistant Prof. in Commerce, Punjab Technical University, Jalandhar, commerce.ptu@gmail.com, 9478098072.

Abstract

Technology in commerce is simplified the way of doing banking these days because now a day's banking services can be accessed by the internet banking users 24/7. But while providing these services they have to face so many challenges as like they have to ensure about the safety, privacy of data of bank's customers, to cater the needs of customers concerned with different sections and social groups. The present paper will be outcome of an empirical study carried out with the objective to know the bankers perception towards challenges faced by them while providing banking services with the help of internet and also to find the perceived importance of bankers regarding internet banking services. This objective got accomplished by getting responses from various bankers with the help of a pre tested questionnaire. The data is collected from the bankers working in Punjab. The sample size of the study is 100. The data collected is analyzed with the help of SPSS 21. Descriptive statistical techniques are used for the data analysis. The study includes the findings and recommendations of the research. Factor analysis is used to explain the variables into dimensions and for data reduction. The findings of the study reveal that security, privacy, technical knowledge, improper infrastructure and lack of awareness are the discouraging factors in the spread of internet banking in India. This study also fills significant gaps in knowledge about perception of bankers towards challenges and perceived importance of internet banking.

Keywords: *Internet Banking, Perceptions of Bankers, Challenges and Perceived Importance, Punjab.*

Innovative HR Practices in Indian Banking Sector

-A Conceptual Study

Neeru Gupta¹ Yuvika Singh²

¹ Associate Professor, Agrasen University

² Assistant Professor, CGC, Landran

Abstract

The Indian economy had undergone significant policy shifts in the early 1990s. This new model of economic reforms included LPG i.e, Liberalization, Privatization and Globalization. Liberalization also deals with the working style of the people and hence organizations needed to innovate the HRM practices in an effort to ensure their survival in a highly competitive environment. Innovative HR practices are proposed to enhance effectiveness and efficiency indifferent organizations and to retain talented workforce in the Organization for a longer period of time. The existing business environment requires companies as well as their HR teams to think creatively and come up with the new approaches to survive the downturn and bind the employees together. So we can say that there is a do or die situation. Innovative approaches would motivate the employees in different sectors especially the Indian Banking Sector to utilize their set of skills and knowledge through discretionary effort realizing Bank's business strategy. This approach to HRM is likely to contribute to improved economic performance of the firm as well as the economy as a whole. This paper tries to focus on whether the introduction of innovative HR practices leads to favorable or unfavorable outcomes among the employees in the Banking sector. The HR practices in Indian Banking sector such as employee sourcing and human resource development initiatives are remarkably different from the manufacturing and other service sector companies. The study tries to find out the answer for the research question: Do the various innovative HR practices in the Banking Sector bring out human resource outcomes like organizational commitment among its employees?

Keywords: *Innovative HR practices, organizational commitment.*

Future of Depository with Introduction of Payment Bank- A Game Changer to Capital Market

Vinay Mahajan¹ Renuka Sharma²

¹Research Scholar, Chitkara University & Assistant Vice President, Findoc Financial Group

² Associate Professor, Chitkara Business School, Chitkara University, Punjab

Abstract

With the objectives of promoting investor protection, maintaining fair, transparent and efficient markets, systemic risk minimization, developing new products, improving the securities market arena, enhancing operational efficiencies, encouraging small investors, and attracting new players, various regulatory changes in the Indian securities market were made by the regulators in India—the Ministry of Finance, the Securities and Exchange Board of India (SEBI), and the Reserve Bank of India (RBI). It is a step to redefine banking in India. The concept of payment bank was first floated by RBI committee led by Nachiket Mor. To widen the reach of the banking services and aiming to provide basic banking facilities, especially to low-income groups and small businesses as well as other unorganized sector entities. The RBI has given in-principal approval to 11 companies out of 41 companies. It primarily provides remittance, payment services, transfer money directly to bank etc. NSDL is also the one and single depository among all the depository and exchanges which gets the approval for the payment bank. NSDL as an upcoming bank as payment bank opens the new avenues for both the depository participant and investors. The one of the salient feature of this major and innovative reform will be 3 in one account i.e. Trading, Demat and saving bank account which can be opened with the existing and new Depository Participant. With this additional feature an investor freely enjoy the benefits of settlements, interest incurred, IPOs, variety of mutual funds in single window and enjoys by holding in Demat account of their choice .This reform in capital market will be the important milestone for both depository and capital market as NSDL already have 15,106,130 number of Demat accounts and the DP service centers 27,289 with 268 depository participants with 1941 DP Geographical Coverage (Cities and Towns).

Key Words: *Depository, IPO, Payment Bank.*

Financial performance of Microfinance Institutions in India: A Study Based on Outreach and Profitability

Muhammed Shafi. M.K¹ M. Ravindar Reddy²

¹Research Scholar ²Associate Professor

School of Management, National Institute of Technology, Warangal

Email: shafimk@nitw.ac.in

Abstract

Microfinance is deep rooted financial system in India as mechanism for disbursement and collection small scale funds. Due to inadequate banking channels in rural and remote areas, a large number of informal financial intermediaries particularly Microfinance have been mushroomed which are acting as proxy to the banks. It emphasizes on rural economy and performs as mode of lifting people from deprived section to the formal financial system thereby it reduces the leakage of bogus financial services. Though, the recent microfinance crunch in the state of Andra Pradesh, exorbitant rate of interest levied by MFIs (Microfinance Institutions) and movement of banking entities into Microfinance, an introspective analysis is necessitated on current outreach of microfinance and its financial performance with respect to profitability of different forms of Microfinance Institutions. Moreover, many of these entities are extending only credit products which leads to huge indebtedness amongst the downtrodden people and deteriorating financial health of small investors. Therefore, this study aims to assess the outreach of microfinance in India based on three parameters such as client penetration, branch penetration and loan portfolio. It also tries to analyse the financial performance of MFIs like Return on Asset (ROA), Return on equity (ROE) etc. To rationalize the objectives of the study, hypothesis testing is applied among assessed variables. The study has been done based on exploratory research method by using five years data collected from various secondary sources.

Key words: *MFIs, Client outreach, MFI Branch Penetration, Loan Portfolio, ROA and ROE of MFIs.*

Public and Private Banks Performance with CAMEL Approach

Rupinder Kaur Gill¹ Rubeena Bajwa²

¹PhD Scholar ²Assistant Professor

Sri Guru Granth Sahib World University, Fategarh Sahib

Abstract

Sound financial environment of the banking industry is the guarantee not only to her depositors but equally Significant to the shareholders, employees and the whole economy as well. In line to this, efforts have been made from time to time Sound financial environment of the banking industry is the guarantee not only to her depositors but equally to measure the performance of banks in the country. A number of factors are used in the measurement of banks performance in a typical developing economy and among these is profitability. This study was based on the determinants of banks profitability in INDIA: using CAMEL model. The objective of this paper is to analyze the performance of 5 public and 5 private sector banks over a period of ten years (2006-2015) in the Indian banking sector. For this purpose, CAMEL approach has been used .The study used quantitative research approach and secondary financial data are analyzed by using multiple linear regression and correlation model for two profitability measures: ROE and ROA. This model was applied to investigate the impact & relationship of CAMEL factors: Capital adequacy, Asset Quality, Management efficiency, Earning and Liquidity with bank profitability measures separately. The study established that private sector banks are at the top of the list, with their performances in terms of soundness being the best. Public sector banks like SBI and PNB have taken a backseat and display low economic soundness in comparison.

Keywords: *CAMEL approach, ROA and ROE, public and private sector banks*

JEL Classification: *G20, G21, G28*

Customer Switching Behavior in Retail Banking in India

Vikas Khanna¹ Renuka Sharma²

¹Research Scholar, Chitkara Business School & Branch Manager HDFC Bank

²Associate Professor, Chitkara Business School, Chitkara University, Punjab

Abstract

The present era is of intense competition in Indian retail banking. Almost all banks are providing competitive products and services to their customers. It includes SMS, ATMs, Online Banking, Mobile Banking and many more services. Parsuraman et al. (1985) developed the service quality model at an initial stage and documented that service quality is a function of expectations of the customers and actual performance of service product through various service quality dimensions. The time when the size of overall Indian banking system has become gigantic which includes both small and large banks with huge number of branch network, one of the biggest challenge faced by banks in present time is the switching intention of the customers. Hence it becomes more important to understand that why customers in India switch from one bank to another bank. Considering this aspect, the study under consideration has focused on the switching behavior of customers in retail banking service in India. Clemes et al. (2007) has suggested nine factors influencing banking switching behavior of customers. The impact of these influence factors have been studied and tested empirically using exploratory factor analysis (EFA). Quantitative data have been collected by means of questionnaire employed from Clemes et al. and administered to 496 banking customers throughout India by using convenience sampling. Results of the study disclosed that price, customer commitment, responses to service failure, customer satisfaction, reputation, service quality, competition, service products and involuntary switching have their noteworthy effect on customers' switching behaviour. The results of present study can be used by the Indian banks for designing their product and service strategies, marketing strategies and customer services practices in order to decrease customer switching. This would also help them in improving their service operations and in increasing customer fulfilment and truthfulness by understanding the banking behaviour of their customers.

Key Words: *Customer Switching Behavior, Retail Banking, Clemes Model, Banking industry, Customer retention,*

Information Content of the Implied Volatility: Comparison of At-The-Money Options with the High Vega Options

Shivani Inder Chopra & Sarabjeet Singh
Assistant Professor, Chitkara Business School,
Chitkara University, Punjab

Abstract

The implied volatility is the only parameter in the option pricing theory which reflects the market expectations regarding the risk contained in the contingent asset. It has been widely debated that implied volatility can be employed to predict the future realized volatility of the underlying asset on the date of expiry of the option. But the volatility smile/skew phenomenon raises a question that implied volatility from which degree of moneyness should be examined. At-the-money options are considered as better estimators of future realized volatility because of high liquidity. The paper tries to examine whether implied volatility from the at-the-money options can outperform the high vega options in estimating the future realized volatility of the underlying asset. The paper provides an analytical framework that the implied volatility from options with high vega contain more information in predicting the implied volatility from at-the-money options. The empirical findings are aligned with the theoretical viewpoint.

Keywords: *Implied volatility, Vega, Information content, Black Scholes, Greek.*

Evaluation of Market Timing Abilities of Indian Mutual Fund Managers: An Empirical Study

Sandeep Kumar¹ Hitesh Katyal²

¹Assistant Professor, Chitkara Business School, Chitkara University-Punjab

²Principal, Chandigarh business School, Landran – Mohali

Abstract

The objective of this paper is to investigate the market timing capabilities of chosen Indian mutual fund managers during April 1, 2011 to March 31, 2016, which is critical aspect in judging the success of mutual funds. In order to evaluate the market timing abilities of the mutual fund managers Top 15 equity diversified mutual fund schemes have been chosen & Treynor and Mazuy model has been selected with the S&P BSE Sensex and NSE Nifty 50 as market proxies. The results point out that a greater part of the chosen mutual fund scheme managers are not seriously engaged in any market timing actions. These results are alike to other researchers utilizing data from Indian mutual funds. The outcome reported here are also similar with the results for the developed capital markets.

Key Words: *Mutual funds; Market timing; Treynor & Mazuy*

Comparative Study on Mobile Banking Penetration: Public and Private Sector Banks

Prabhjot Kaur
Research Scholar, Punjabi University-Patiala

Abstract

The paper present the comparative study in mobile banking between the private and public sector banks in different cities. Mobile banking is an electronic channel provided by banks through which the customer can access the data without any time and geographical limitation. This paper has identified the penetration of mobile banking adoption in different Banks in the tricity region of Chandigarh, Mohali, Panchkula. In this comparative study of mobile penetration in different banks in tricity region, the research analysis the ATM, Net banking, Mobile banking services used by user in that banks. The Paper is basically concerned with the customer aspect of mobile banking services for customer and their satisfaction level. This is a comparative study of Public and Private Sector Indian banks and find out the majority of which kind of transaction in banks in different cities.

Key Words: *Mobile Banking, ATM, Internet banking.*

Islamic Banking and its Awareness among Muslims in Bihar

Uruj Fatima Saquib¹ Dr. Rosy Kalra²

¹Research Scholar, Amity University

²Associate Professor, Amity University

ABSTRACT

Banks are institutions that accept deposits and lend money. They are important players in financial markets and offer services such as investment funds and loans. Bank use liquid deposits that are often withdraw able on demand to build an asset that principally comprises highly illiquid cash. It plays a very crucial role in financial system as financial intermediary. Islamic banking is a new type of banking emerged in the international financial scene in 1970s. The wealth of the middle-east, combined with the growing demand for Sharia'h compliant financial products, has made Islamic banking as one of the fastest growing segments of the financial sector. Islamic banking provides Sharia'h compliant banking services with the objective of achieving the socio-economic goals of Islam. The present paper discusses about various types of Islamic banking instruments and the various modes of financing. It describes Islamic banking products and the process of issuance of each product. The purpose of the study of this paper is to examine the awareness among Muslims about the Islamic finance and if they are willing to purchase profit and loss sharing Islamic banking product. A questionnaire was developed to examine their awareness and willingness.

Key words: *Islamic Banking, Banking sector, Sharia'h*