An EP Journal of Behavioural Finance

Volume No.12

Issue No. 3

September - December 2024

ENRICHED PUBLICATIONS PVT.LTD

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An EP Journal of Behavioural Finance

Aims and Scope

The Journal of Behaviour Finance is a source for sophisticated analysis, especially theoretical papers that yield novel testable implications and experimental papers that are theoretically well motivated.

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(Volume No. 12, Issue No. 3, September - December 2024)

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An Empirical Study on Fundamental Factors Affecting Stock Prices of BSE Listed Companies: An Industry Wise Analysis

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Abstract:

Uncertainty of the future can bring added volatility while psychological factors can amplify the effect of new information. This paper presents an Empirical Study for the role of fundamental factors in price movement of shares with the annual performance of companies. Studying the fundamental factors which influence the market price and also the performance of the company is a part of any investor before going for investment. The investor should look at the price movements of the particular company over the years and should go for better portfolio. The objective of this paper is to examine inter industry differences with regard to the impact of fundamental factors on stock prices. The study concludes that DPR, ROCE and dividend per share are being the important determinants of share prices of FMCG and Miscellaneous Companies. The study results suggest that Book Value, earning per share and Growth are being the important determinants of share prices of auto and ancillary sector. Book Value, dividend per share and COVER are being the important determinants of share prices of Drugs and Pharmaceuticals Companies.

Key words: *Fundamental, Stock Prices, Book Value, DPS, PER, COVER.*

Introduction

Uncertainty of the future can bring added volatility while psychological factors can amplify the effect of new information. The stock market is a living thing. It is continuously moving and changing. It is affected not only by the success of the companies that are listed, but also by its environment. When you are able to recognize stock price factors, you will be able to improve your performance in the stock market. If you recognize and understand these stock price factors, it will help you decide whether the price movement is a buy, sell or sit tight signal. Price reflects all the information that is known about a company and their ability to make money in the future. As information about a company's prospects is made public, prices will change. Finally, supply and demand considerations can cause fluctuations not motivated by new information. Understanding why prices change is essential to success in the stock market. Therefore, it is important for investors to look for the sectoral trends in the market in order to get good returns on their investments. Krishan (1984) examined the share prices of general engineering industry and cotton textiles industry. The study found that, in both the industries, book value per share and dividend are significant factors that determine share prices. In the case of cotton textiles industry, yield was also observed to be significantly influencing share prices. Kumar and Hundal (1986) examined the impact of dividend per share, earning per share, net sales per share, book value per share, earning per share, net worth, retention ratio, leverage ratio and growth in total assets on market price of share by using the linear regression model. The analysis also showed the sensitiveness of the market towards the dividend policy of the three groups. Growth showed a positive influence only in case of textile industry. Leverage in general had a negative influence on the share prices. For the chemical industry, Chawla & Srinivasan (1987) examined the relation between share prices, dividend and retained earnings. Both dividend and retained earnings were found to be significant determinants of share price.

2. Literature Review

The link between fundamental factors and share price changes has been extensively investigated in the financial literature. Sen and Ray (2003) examined the key determinants of stock price in India. The study is based upon the stocks compromising the BSE index over a period 1988-2000. The empirical study revealed dividend payout was an important factor affecting stock prices. Further, they found earning per share has a very weak impact on the share prices. The study explored one of the crucial factor dividend payout ratios having impact on Indian stock price. Dutta (2004) had made a survey on three groups viz; individuals, brokers and financial institutions to study the impact of micro and macro factors on share price. Most of the individual and brokers considered the role of random elements in share price as very important in post reform period. Mehta & Turan (2005) identified market capitalisation, market price to book value ratio and price-earning ratio as major factors influencing share prices by examining share prices of the firms listed on the Bombay Stock Exchange. Sharma and Singh (2006) used data from 160 Indian firms between 2001 and 2005 and found that earnings per share, price-earnings ratio, dividend per share, dividend coverage, dividend payout, book value per share, and firm size are the determinants of share prices. They revealed that Book value and Earnings are important indicators of market price of share as they are an indicator of the good financial health of the companies. Dividend per share is most significant variable of market price of share, which indicates that the companies should use a liberal dividend policy to attract the primary as well as secondary market. Price-earnings ratio also explained the investors' anticipate about the growth in the firm's earnings. Srivastava (2010) concluded that emerging economies like India in long term are more affected by domestic macro economic factors than global factors. The main domestic macroeconomic factors affecting the stock market in long run are industrial production; wholesale price index and interest rate. Sharma (2011) examined the empirical relationship between equity share prices of different industry groups and explanatory variables such as book value per share, dividend per share, earning per share, price earnings ratio, dividend yield, dividend payout, size in terms of sale and net worth for the period 1993-2008. The results revealed that earning per share, dividend per share and book value per share has significant impact on the equity price of different industry groups in India. Nisa (2011) in her research on Karachi Stock Exchange used the following variable: P/E Ratio, Net Profit after Tax, Inflation, DPS, GDP and Annual Turnover as stock price determinant. Aurangzeb (2012) presented a study from the period of 1997 to 2010 of 3 South Asian countries namely, Pakistan, India and Sri Lanka. Regression results indicate that foreign direct investment and exchange rate have significant positive impact on performance of stock market in South Asian countries while; interest rate has negative and significant impact on performance of stock market in South Asia. Results also indicate the negative but insignificant impact of inflation on stock market performance in South Asia. Malhotra &Tandon (2013) have presented a study with an attempt to determine the factors that influence stock prices in the context of National Stock Exchange (NSE) 100 companies. A sample of 95 companies was selected for the period 2007-12 and using linear regression model the results indicate that firms' book value, earning per share and price-earnings ratio are having a significant positive association with firm's stock price while dividend yield is having a significant inverse association with the market price of the firm's stock. Uddin, Rahman, Hossain (2013) this study has put a great stride to identify what determines the share prices of stock market focusing exclusively on financial sector of Bangladesh. Data have been collected from companies like Bank, Insurance, Leasing Companies associated with financial sector ranging from 2005 to 2011 from Dhaka Stock Exchange (DSE). Some pertinent variables like Net Profit after Tax (NPAT), Price earnings ratio (P/E), Net asset value (NAV), Earnings per share (EPS) were selected from previous literature for deciding stock price (SP) determinants. A regression model along with some descriptive statistical tools was applied using SPSS. Findings show that Earnings per share (EPS), Net asset value (NAV), Net profit after tax (NPAT) and Price earnings ratio (P/E) have strong relationship with stock prices.

3. Objective of the Study

The objective of this study is to examine inter industry differences with regard to the impact of fundamental factors on stock prices.

3.1 Hypothesis of the study:

H01 - There is no significant inter industry differences of the fundamental factors on stock prices of BSE 200 companies.

3.2 Research Methodology

The fixed effects model as well as the random effects model has been used to explore the fundamental determinants of share price due to the fact that former takes into the firm specific effect and the later consider the time effect.

3.3 Scope of Study

3.3.1 Fundamental Factors

Eight Key variables such as: Book Value Per Share (BV), Dividend Per Share (DPS), Earnings Per Share (EPS), Cover (C), Payout Ratio (P), Price Earning (P/E), Return on Capital Employed (ROCE) and Growth (G) have been included in the study.

3.3.2 Sample Profile

To examine the hypothesis, the study has used secondary data. The sample was drawn from the companies listed on the Bombay Stock exchange. The yearly data has been used on the concerning aspect, a sample of thirty nine companies was selected for the purpose of the study with the fact that the companies have been listed continuously during the study period. In total three sectors have been finalized which is as follows:

- FMCG and Miscellaneous Sector
- Auto & Ancillaries Sector
- Drugs and Pharmaceuticals Sector

3.3.3 Time period

Time period of the study has covered fifteen financial years i.e. from 1st April 1998 to 31st March 2013.

3.4Data Collection

The data relating to the companies which are listed in BSE 200 will be collected on yearly basis from updated version 'PROWESS 4' database of the Centre for Monitoring Indian Economy and Bombay Stock Exchange Official

3.5Model Specification

The panel data analysis techniques, viz. Fixed Effects model and Random Effects model have been employed to investigate the objective. The general specification of the parameters of the model in present case is as follows:

$Spit = \alpha i + \beta 1\ BVit + \beta 2\ EPSit + \beta 3\ DPSit + \beta 4COVERit + \beta 5\ DPRit + \beta 6PERit + \beta 7\ ROCEit + \beta 8\ GROWTH + \beta\ uit$ (3)

In the above specification SP represents the stock prices. The explanatory variables, BV, DPS, EPS,COVER, DPR, PER, ROCE and GROWTH denotes Book value per share, Dividend per share, Earnings per Share, Cover, Dividend Payout Ratio, Price-earnings ratio, Return on Capital employed, and Growth (Sales), respetively. Eviews 6 software was used to analyse the data for all the above purposes.

3.5.1 Fixed Effect Model - This model allows for heterogeneity or individually among 80 companies by allowing to have its own intercept value. Another term fixed effect is due to the fact that although the intercept may differ across different companies but intercept does not vary over time, it is time invariant. To take into account the differing intercepts, one can use dummy variables. The FEM using dummy variables is known as the least-squares dummy variable (LSDV) model. FEM is appropriate in situations where the individual- specific intercept may be correlated with one or more regressors. The Fixed Effects method allows us to take into consideration the firm-specific effects on regression estimates. However, this model does not take into consideration the time effect and often results in a loss in a large number of degrees of freedom if N is large.

3.5.2 Random Effect Model - In this model, all the 51 companies have a common mean value for the intercept. In ECM it is assumed that the intercept of an individual unit is a random drawing from a much larger population with a constant mean value. The individual intercept is then expressed as a deviation from this constant mean value. One advantage of ECM over FEM is that it is economical in degrees of freedom, as we do not have to estimate N cross-sectional intercepts. We need only to estimate the mean value of the intercept and its variance. ECM is appropriate in situations where the (random) intercept of each cross-sectional unit is uncorrelated with the regressors. Hence, the Random Effects Model, which, besides incorporating the firm-specific effects, takes into consideration the time effects and is an appropriate specification if we are drawing N individuals randomly from a large population (Maddala, 2005; Baltagi, 2003).

3.5.3 Hausman Test - This test is used to check which model (fixed effect or random effect model) is suitable to use. If p value found statistically significant, then fixed effect model will be used otherwise random effect model will be suitable. If correlated (H0 is rejected), a random effect model produces biased estimators, violating one of the Gauss-Markov assumptions; so a fixed effect model is preferred. Hausman's essential result is that the covariance of an efficient estimator with its difference from an inefficient estimator is zero (Greene 2003).

4. Emperical Results

Table 4.1 Fundamental Determinants of Share Prices of FMCG and Miscellaneous Sector in India (1998-2013)

	Fixed Effect Model		**Random Effect Model**	
Variables	Coefficient	t value	Coefficient	t value
Constant	351.8227	1.405422	357.2569	0.413259
Book Value	0.115764	0.110490	0.097330	0.093237
DPS	55.5485*	1.864368	55.2948*	1.861241
EPS	-3.493702	-0.877457	-3.426536	-0.861526
Cover	1.753564	0.345658	1.664131	0.329109
DPR	159.081**	0.796333	158.732**	0.795176
PER	2.27625*	0.726093	2.26596*	0.724700
ROCE	5.39122**	0.808078	5.31144**	0.802008
Growth	0.177808	0.105520	0.177091	0.105154
Hausman test (p-value)	0.680069 .9996			

***significant at 1 percent level of significance,** significant at 5 percent level of significance, * significant at 10 percent level of significance
Source : All the numerical figures of table are calculated from e views 6 version

Table 4.1 presents the estimate of fixed effects as well as random effects models for the FMDG and Miscellaneous companies. To select appropriate model for empirical analysis Hausman specification test has been conducted. The results of Hausman test revealed that the difference in coefficients between fixed effects and random effects is systematic and provided evidence in favour of random effects model for FMCG and Miscellaneous Companies. The empirical results reveal that the DPR and ROCE have positive and significant impact on the share price at five percent level. The variable DPS has positive impact and significant at ten percent level. However, the variables book value, COVER and growth has a positive relationship with share price and are insignificant. The variable EPS has a negative impact on share price and is insignificant. The study results suggest that DPR, ROCE and dividend per share are being the important determinants of share prices of FMCG and Miscellaneous Companies.

Table 4.2 Fundamental Determinants of Share Prices of Auto & Ancillaries Sector in India (1998-2013)

	Fixed Effect Model		**Random Effect Model**	
Variables	Coefficient	t value	Coefficient	t value
Constant	216.2346	3.148995	162.9149	3.090697
Book Value	0.80384**	2.757028	0.76424**	2.973632
DPS	1.365293	0.313346	2.641518	0.726558
EPS	1.69841**	1.031409	-0.486015	-0.321725
Cover	-4.16211**	-2.668083	-1.96235**	-1.523928
DPR	-3.899001	-0.033027	-80.81848	-0.761392
PER	-3.29722*	-1.442448	1.80939**	0.977851
ROCE	-0.195748	-0.127266	0.797284	0.708492
Growth	0.68066**	1.025069	0.190438	0.302920
Hausman test (p-value)	48.434176 .0000			

***significant at 1 percent level of significance,** significant at 5 percent level of significance, * significant at 10 percent level of significance

Source : All the numerical figures of table are calculated from eviews6 version

Table 4.2 presents the estimate of fixed effects as well as random effects models for the auto and ancillaries companies. To select appropriate model for empirical analysis Hausman specification test has been conducted. The results of Hausman test revealed that the difference in coefficients between fixed effects and random effects is systematic and provided evidence in favour of fixed effects model for auto and ancillaries companies. The empirical results reveal that the Book Value, EPS and Growth have positive and significant impact while PER and COVER have a negative and significant impact on the share price at five and one percent level. The variable DPS has a positive relationship with share price and statistically insignificant. However, the DPR and ROCE have a negative impact on share price and are insignificant. The study results suggest that Book Value, earning per share and Growth are being the important determinants of share prices of auto and ancillary sector.

Table 4.3 Fundamental Determinants of Share Prices of Drugs and Pharmaceuticals Companies in India (1998-2013)

	Fixed Effect Model		**Random Effect Model**	
Variables	Coefficient	t value	Coefficient	t value
Constant	587.7163	2.370515	681.8383	3.642749
Book Value	3.84452*	1.906085	6.51784**	3.756022
DPS	11.2628**	0.670081	-19.1550*	-1.754130
EPS	2.194749	0.310181	8.998034	1.365606
Cover	-9.38086**	-2.677871	-10.6646***	-4.312349
DPR	-82.65890	-0.359215	0.492060	0.002269
PER	2.743599	0.420321	-10.8668**	-2.137061
ROCE	1.287573	0.134453	-8.008598	-0.906031
Growth	-0.56646**	-0.831716	-0.316300	-0.475649
Hausman test (p-value)	86.947831 .0000			

***significant at 1 percent level of significance,** significant at 5 percent level of significance, * significant at 10 percent level of significance

Source : All the numerical figures of table are calculated from eviews6 version

Table 4.3 presents the estimate of fixed effects as well as random effects models for the Drugs and Pharmaceuticals Companies. The results of Hausman test revealed that the difference in coefficients between fixed effects and random effects is systematic and provided evidence in favour of fixed effects model for Drugs and Pharmaceuticals Companies. The empirical results reveal that the DPS and Book Value have a positive and significant impact on the share price at five and ten percent level. The variable COVER has negative impact on share price and are significant at five percent level. However, the EPS, PER and ROCE have a positive impact on share price and are insignificant. The variable DPR has negative impact on share price and are insignificant. The study results suggest that Book Value, dividend per share and COVER are being the important determinants of share prices of Drugs and Pharmaceuticals Companies.

5. Conclusions

It may be concluded that in FMCG and Miscellaneous Companies, DPR, ROCE and dividend per share are being the important determinants of share prices. In auto and ancillary sector, Book Value, earning per share and Growth are being the important determinants of share prices. Similarly Book Value, dividend per share and COVER are being the important determinants of share prices of Drugs and Pharmaceuticals Companies.

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Growth Aspects of Punjab National Bank and State Bank of India: A Comparative Study

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Abstract:

The paper study about the growth aspects of two public sector banks i.e Punjab National Bank and State Bank of India. The paper examines and compares the growth of both the banks. Data has been obtained from various publications of the banks, booksand periodicals. The period of study ranges from 2011-12 to 2015-16.

Key Word: *Banking, Dividend, Nationalization*

Introduction

Indian banking industry is not only witnessing, but participating in the developments that are reshaping Indian economy. By the eighties, it become clear that in order to respond to new development taking place in Indian economy, banking industry would have to reorient itself to face new challenges. Finance is the life blood of any economic activity. The most striking factor is its extensive reach. It is no longer confined to only metropolitan or cosmopolitans in India. In fact, Indian banking system has reached even to the remote corners of the country. This is one of the main reasons of India's growth process. The government's regular policy for Indian bank since 1969 has paid rich dividends with the nationalization of 14 major private banks of the country.

Banks in India

In India the banks are being segregated in different groups. Each group has their own benefits and limitations while operating in India. They have their own dedicated target market. Few of them only work in rural sector while others in both rural as well as urban. Many of them are catering in cities only. Some of them are of Indian origin and others are foreign players. All such details and related matters form the part of this paper. The banks, their relations with customers, their mode of operations, the names of banks under different groups and other such useful information is being discussed here..

Introduction: Punjab National Bank

Punjab National Bank (PNB) was registered on May 19, 1894 under the Indian Companies Act with its office in Anarkali Bazaar Lahore. The Bank, founded by Dyal Singh Majithia and Lala HarkishenLal, is the second largest government-owned commercial bank in India with about 4,500 branches across 764 cities. It serves over 37 million customers. The bank has been ranked 248th biggest bank in the world by Bankers Almanac, London. Total Business of the bank for financial year 2016 is estimated to be approximately945526 crores. It has a banking subsidiary in the United Kingdom, as well as branches in Hong Kong, Kabul, and representative offices in Almay, Shanghai, and Dubai.

During the long history of over 121 years of the Bank, 7 banks have merged with PNB and it has become stronger with a network of 6809 branches and 9669 ATMs as on 30th June'2016. Bank stands tall amongst nationalized banks in major financial parameters i.e., Global Business, Domestic Business, Domestic Deposits, Net Advances, CASA Deposits Savings Deposits and Operating Profit.

The Bank has always been in the forefront in partnering the economic as well as social development of the country. The Bank has proactively met its commitments towards social upliftment and financial empowerment of the targeted segments. This is evident from the fact that Ministry of Finance, Government of India, has declared Punjab National Bank as first among all banks in deposit mobilized through *PradhanMantri Jan DhanYojana* (PMJDY) accounts. Punjab National Bank has opened 135 lakh accounts and mobilized Rs 1814 crore as on 30th June'16. The

Bank has also issued around 99 lakh RuPay debit cards.To provide card based transactions services to such customers, Micro ATMs have been introduced at Business Correspondent locations. PNB is the first bank to deploy Micro-ATMs with RuPay, Aadhaar based & other FI Transactions at BC locations.To spread financial awareness across the length and breadth of the country, the Bank flagged off '*Vitiya Jan ChetnaAbhiyan*'. This program will also emphasize on creating awareness about the *PradhanMantri Jan DhanYojana, Atal* Pension *Yojana, Mudra* Loans, *PradhanMantriJeewanJyotiYojana* and *PradhanMantri Jan SurakshaYojana.*

Introduction: State Bank of India

The origin of State Bank of India dates back to 2nd June 1806, when bank of Kolkata was established in Kolkata. On 2nd January 1809, the Bank received its charter and was redesignatedas Bank of Bengal. It was the first joint stock Bank of British India sponsored by the Govt. of Bengal. Later on the Bank of Bombay was established on 15th April1840 and the Bank of Madras on Ist July1843. The SBI has been pursuing a policy of offering specialized services to specific customer segments through specialized outfits with a view to countering the competition from the private and foreign banks. It has 81 personal banking branches at selected centers. The Bank has so far opened 9 rehabilitation and recovery branches. It has opened a specialized housing finance branch in Chennai, Diamond branch in Mumbai and Leather branch in Chennai. It has total of 21,500 branches. The Bank has a network of 137 overseas offices spread over 32 countries covering all the time zones. The Bank also maintains comprehensive correspondent relationship with 593 top ranking branches in 127 countries. It has 25,000 ATMs and 99345 offices in India. Telebanking offered by the bank free of charge is operative in 301 branches in 18 cities. Over 31000 customers have registered for the service. Internet banking is provided by 501 branches in 97 cities. The special electronic fund transfer (EFT) scheme was launched by the Bank from 01-04-2003 in close coordination with RBI to facilitate efficient and expeditious interbank transfer of funds. 29 branches of the bank are participating in the scheme. The bank has two wholly owned subsidiaries abroad-SBI Canada, SBI California and two joint ventures namely Nepal State Bank of India (SBI) Bank Ltd and Bank of Bhutan. The other subsidiaries are SBI international Ltd, Mauritius, indovigeria Merchant Bank Ltd. The State Bank Group which has 13,635 branches has computerized all the branches. State Bank Group has 3,900 networked ATMs comprising over 2,800 ATMs of State Bank of India (SBI) and 1,100 ATMs of the associate banks. Internet banking has been rolled out to 1,100 branches.State Bank of India (SBI) has five associate banks by names of i) State bank of Bikaner & Jaipur, ii) State bank of Hyderabad , iii) State bank of Mysore, iv) State bank of Patiala and v) State bank of Travancore.

Research Methodology

In this paper an attempt has been made to study and compare the growth of SBI and PNB. The growth of the selected banks has been studied on the basis of various indicators. The growth of both the Banks are examined on the basis of various indicators like Growth of deposits, Branch expansion, Number of employees, Credit deployment and Borrowings. The secondary data has also been collected from the websites of the select banks. The data collected has been tabulated and analyzed by using ratio analysis. The period of study is 2011-12 to 2015-16.

Need of Study

Since the era of economic reforms, banking sector has been witnessing numerous changes. The new private sector banks and foreign banks have also introduced number of new innovative products. These banks are also offerings their services through new age distribution channels like ATM, internet banking, phone banking, *etc.* All these factors have affected the performance of both the public sector banks and private sector banks. The present study is an attempt to analyses and compares the growth and performance of State Bank of India (SBI) and Punjab National Bank during the period 2011 to 2016.

Objectives of Study

The following are main objectives of study:

I) to measure the progress of selected banks with regard to number of branches, deposits, advances and borrowings and employment generation.

Ii) to compare the progress of selected banks with regard to number of branches, deposits, advances and borrowings and employment generation.

Limitation of Study

Due to constraints of time and resources, the study is likely to suffer from certain limitations. Some of these are mentioned here under so that the findings of the study may be understood in a proper perspective. The limitations of the study are:

- The study is based on the secondary data and the limitation of using secondary data may affect the results.
- The secondary data was taken from the annual reports of the banks. It may be possible that the data shown in the annual reports may be window dressed which does not show the actual position of the banks.

Scope of Study

The present study has been undertaken to measure and evaluate the performance of two banks. The study covers the period of 5years that is from year 2011-2012 to year 2015-2016.

A) Growth

In this paper an attempt has been made to study the growth of both Punjab National Bank and State Bank of India. To analyze the growth of the selected banks under study, the period 2011-2012 to 2015-2016 has been taken. For this purpose the following parameters have been studied.

B) Deposits

Deposits serve as the basis for capital formation and facilitate the process of economic development. Banks obtain a major amount of their working capital from deposits. Since their lending and profit earning capacities depend upon deposits.

The management of banks is always engaged in working out plans and schemes to mobilize deposits. The total deposits depend upon the no. of factors like the monetary policy and deposit mobilization by other commercial banks. The deposits of PNB and SBI banks have been shown in table 1.1.

Table 1.1 Growth in deposits

(Rs. In crores)

Years	PNB	SBI
2011-2012	379588	1043647
2012-2013	391560	1202739
2013-2014	451397	1394408
2014-2015	501379	1576793
2015-2016	553051	1730722

(Source: Compiled from annual reports of both the banks for the period 2011-2012 to 2015-2016)

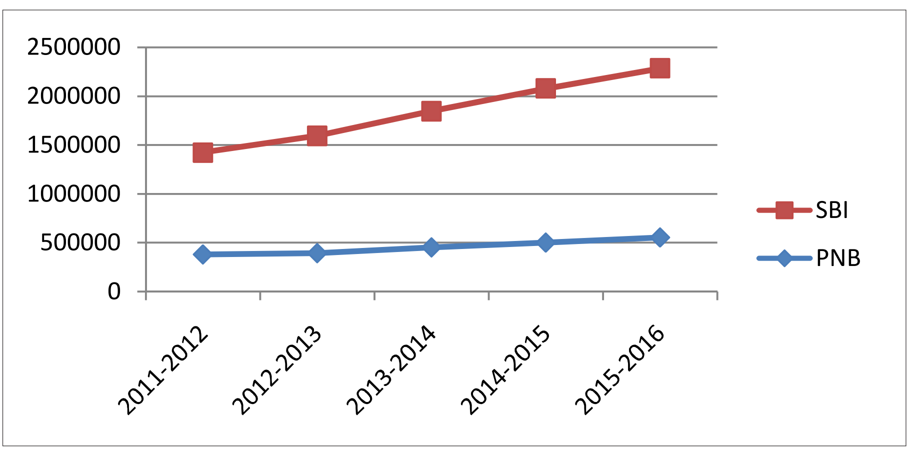

Figure 1.1

Table 1.1 shows that the deposits of PNB have been increased from Rs. 379588 crs. in year 2011-2012 to Rs. 553051 crs in year 2015-16. Further the deposits of SBI have been increased from Rs. 1043647crs to Rs.1730722crs. The figure 1.1 shows that both the banks show the rising trend but there are more growth in deposits in SBI as compared to the PNB.

© **Number of Branches**

The branch expansion policy seeks to achieve to broad objectives (a) narrowing down regional imbalance and (b) providing banking facilities to rural and neglected areas. The policy mainly emphasize on opening more offices in rural and semi-urban areas and centers which have few or no branches without jeopardizing branch expansion in urban and metropolitan cities. The main emphasis of branch licensing policy where population per branch is higher than the national average. The number of branches of PNB and SBI bank are given in table 1.2.

Table 1.2 Growth in number of branches

(In crores)

Years	PNB	SBI
2011-2012	5675	14097
2012-2013	5874	14816
2013-2014	6201	15869
2014-2015	**6560**	16333
2015-2016	6740	16784

(Source: Compiled from annual reports of both the banks for the period 2011-2012 to 2015-2016)

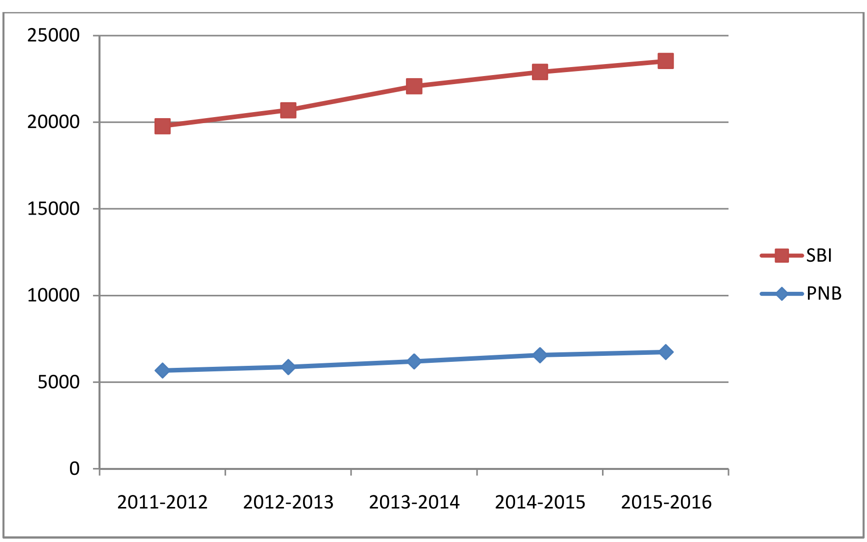

Figure 2.2

Table 1.2 indicates that the number of branches of PNB is increased from 5675 in year 2011-12 to 6740 in year 2015-16.The major growth was in the year 2014 -2015. Further there is uprising trend in case of SBI, the branches of SBI increased from 14097 in years 2011-12 to 16784 in years 2015-16. Overall growth in SBI is much higher as compared to PNB.

(D) Number of Employees

Employment generation is another criterion on which the working of the banks can be evaluated.

Table 1.3 Number of Employees

Years	PNB	SBI
2011-2012	62127	215481
2012-2013	63292	228296
2013-2014	65541	222033
2014-2015	68290	213238
2015-2016	70801	207739

(Source: Compiled from annual reports of both the banks for the period 2011-2012 to 2015-2016)

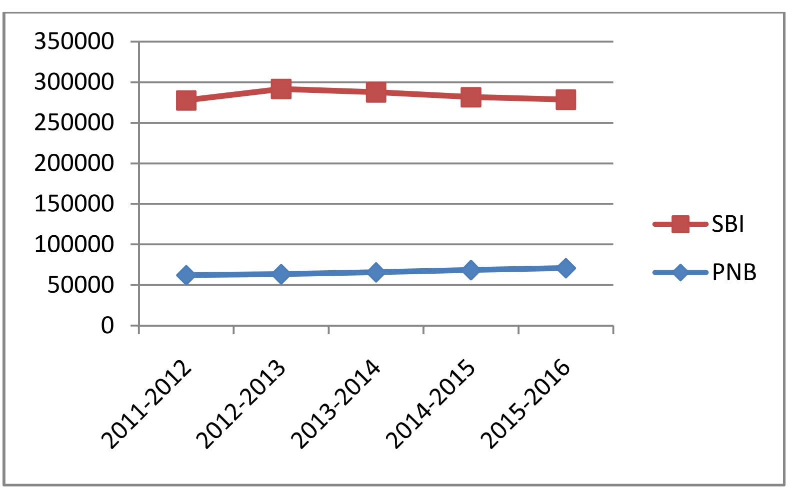

Figure 3.3

Table 1.3 shows that the number of employees in PNB bank Increased from 62127 in year 2011-12 to 70801 in year 20015-16. Further in case of SBI there is an increasing trend the number increase from 215481 in year 2011-12 to 228296 in year 2012-13 and there is decreasing trend from 222033 in 2013-2014 to 207739 in the year 2015-2016.

(E) Credit Deployment

Lending is done on the basis of funds raised by accepting deposits from the public. Advances provide income to the banks in a form of interest and discount on the one hand and promote economic development of the country is shown in table 1.4

Table 1.4 Credit Deployments

(Amt. in crores)

Years	PNB	SBI
2011-2012	293775	867579
2012-2013	308725	1045616
2013-2014	349269	1209829
2014-2015	380534	1300026
2015-2016	412326	1463700

(Source: Compiled from annual reports of both the banks for the period 2011-2012 to 2015-2016)

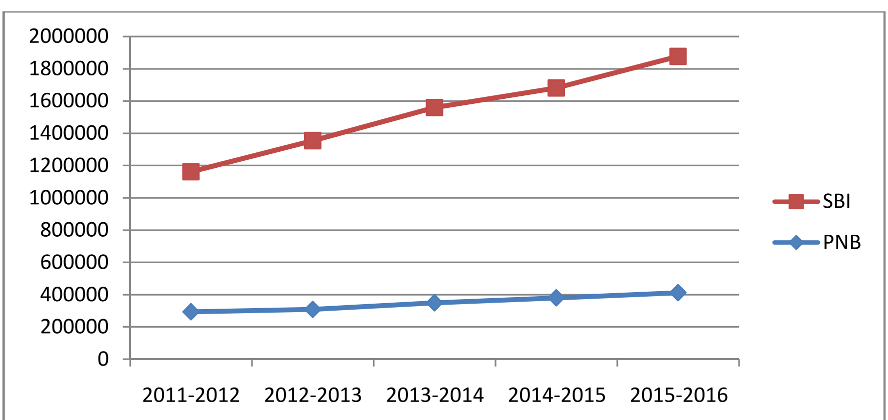

Figure 4.4

Table 1.4 depicts that the total advances of PNB bank has increased Rs.293775 crs in year 2011 to Rs.412326 crs in year 2016. Further in case of SBI the advances have increased from Rs 867579 crs in year 2011 to Rs 1463700 crs in year 2016.

(F) Borrowings

Borrowings are the amount that the general public deposits in the banks in their accounts. Banks use these deposits as their resources to advance money to the borrowers with the help of cash credit. Growth in borrowings of the PNB bank and SBI has been shown in table 1.5.

Table 1.5 Borrowings
(Amt in crores)

Years	PNB	SBI
2011-2012	37264	127006
2012-2013	39621	169183
2013-2014	48034	183131
2014-2015	45670	205150
2015-2016	59755	224190

(Source: Compiled from annual reports of both the banks for the period 2011-2012 to 2015-2016)

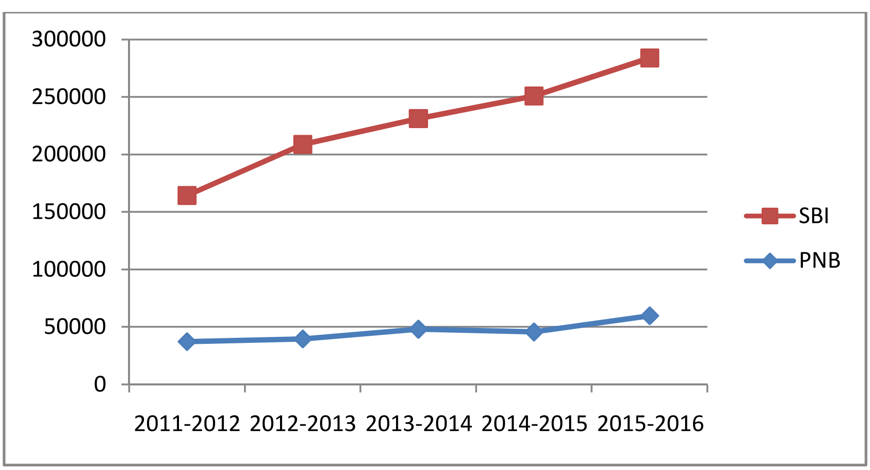

Figure 5.5

Table 1.5 depicts that the borrowings of PNB are increased from Rs.37264crs in year 2011-12 to Rs. 59755 crs in year 2015-16. Further in case of SBI the borrowings are increased from Rs.127006 crs in 2011-12 to Rs. 224190 crs in year 2015-16.

Analysis and Interpretation

1. **Deposits** of PNB have increased from Rs. 379588 crs. in year 2011-2012 to Rs. 553051 crs in year 2015-16. Further the deposits of SBI have increased from Rs.1043647 crs to Rs.1730722crs. Both the banks show the rising trend but there are more growth in deposits in SBI as compared to the PNB.
2. **Number of branches** of PNB is increased from 5675 in year 2011-12 to 6740 in year 2015-16.The major growth was in the year 2014 -2015. Further there is uprising trend in case of SBI .It increase from 14097 in years 2011-12 to 16784 in years 2015-16. But the growth in SBI is much higher as compared to PNB.
3. **Number of employees** in PNB bank Increased from 62127 in year 2011-12 to 70801 in year 20015-16 . Further in case of SBI there is an increasing trend the number increase from 215481 in year 2011-12 to 228296 in year 2012-13 and there is decreasing trend from 222033 in 2013-2014 to 207739 in the year 2015-2016.
4. **Total advances** of PNB bank have increased Rs.293775crs in year 2011 to Rs.412326 crs in year 2016. Further in case of SBI the advances have increased from Rs 867579 crs in year 2011 to Rs 1463700 crs in year 2016. It is cleared that the growth rate of SBI is more as compared to PNB. But both the show a rising trend in advances.
5. **The borrowings** of PNB have increased from Rs.37264crs in year 2011-12 to Rs. 59755 crs in year 2015-16. Further in case of SBI the borrowings have increased from Rs.127006 crs in 2011-12 to Rs. 224190 crs in year 2015-16.

Conclusion

The selected banks have shown growth in terms of deposits, number of branches, employees, credit deployment and borrowings. Growth of SBI bank is higher as compared to PNB bank. For the past three decades India's banking system has several outstanding achievements to its credit. The most striking is its extensive reach. It is no longer confined to only metropolitans or cosmopolitans in India. In fact, Indian banking system has reached even to the remote corners of the country. This is one of the main reasons of India's growth process and the public sector banks play a crucial role in the economy.

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An Empirical Investigation of the Day-of-the-week-effect on Stock Return and Volatility In India

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Abstract:

The objective of the study is to investigate the anomalous phenomenon of the day-of-the-week effect on India's stock market. The presence of the Seasonal or Monthly Effect in stock returns has been reported in several developed and emerging stock markets. For the purpose this analysis BSE Sensex index was chosen for a period of five years from 1st April 2012 to 31st Jan... 2017. The Efficient Market Hypothesis suggests that all securities are priced efficiently to fully reflect all the information intrinsic in the asset. It also utilizes a nonlinear symmetric GARCH (1, 1) model and two nonlinear asymmetric models, TARCH (1, 1) and EGARCH (1, 1). However, unlike other developed markets, Indian stock market seems to start positive and ends also positive with downturn during the rest of the trading days. In addition, the parameter estimates of the GARCH model suggest a high degree of persistent in the conditional volatility of stock returns. Furthermore, the asymmetric EGARCH, and TARCH models show no significant evidence for asymmetry in stock returns. The study found that Indian stock market is an efficient market and day-of-the-week effect pattern did not appear to exist in the Indian Stock Market.

Keywords: *Day-of-the-week effect, stock market anomalies, GARCH, TARCH, EGARCH.*

Introduction

The efficient market hypothesis (EMH) postulates that stock prices must efficiently reflect all available information about their intrinsic value. According to the EMH, stocks always trade at their fair value on stock exchanges, making it impossible for investors to either purchase undervalued stocks or sell stocks for inflated prices. As such, it should be impossible to outperform the overall market through expert stock selection or market timing, and that the only way an investor can possibly obtain higher returns is by purchasing riskier investments. The opponents of efficient market theory asserts that stock prices are largely determined based on investor expectation, and that price movements will follow any patterns or trends and that past price movements can be used to predict future price movements. However, the efficient market hypothesis was contradicted by some anomalies such as: calendar anomalies, fundamental anomalies and technical anomalies. Calendar anomalies refer to the tendency of securities to behave differently on a particular day-of-the-week, or month-of-the-year.

The day-of-the-week effects have been significantly documented in the financial literature in the context of both developed and emerging stock-markets. It has become a challenge to the EMH and attracts much attention from economists, market regulators, market practitioners and investors. Examination of day-of-the week effects is immense helpful for rational decision-makers to be sentient of variation in the volatility of stock returns dependent on the day-of-the week and whether high or low returns are associated with a correspondingly high or low volatility for a given day. If investors can identify a certain pattern of volatility, it is easier to make investment decisions based on both the projected returns and the risks associated with the particular security. Besides, the investigation of anomalous patterns may reveal evidence about the extent of market efficiency.

The objective of this study is to examine the day-of-the-week effect on stock returns and volatility of India's stock market. This paper contributes to finance literature in several ways. First, it fills the gap created by the scarcity of researches that investigated this phenomenon on Indian stock market. Second, it employs updated data for approximately the end of 2016. Third, it will lead to a conclusion regarding the efficiency of Indian stock market that is of value to decision makers.

Review of Literature

Thiripalraju (2001), found that there was consistent positive returns on Wednesdays and negative returns on Tuesdays due to possible impact of the Week End Effect.

Ally et al. (2004) found no evidence of daily seasonality in the Egyptian stock market. Contrary results were obtained by Al- Rajoub (2004) on Amman stock exchange. He found significant Thursday and Monday effects on returns.

Chotigcat. T and Pandey I M. (2005) investigated the Monthly Effect on stock returns for the stock market in India and Malaysia. This study empirically confirmed the existence of Seasonality in stock returns in both capital markets. The study suggested that the Indian Stock Market would move in the direction of higher level of efficiency and the investors would earn returns commensurate with risk.

Chukwuogor-Ndu (2007): who tested the East Asian financial markets; besides this they found insignificant daily returns and volatility in most of these markets.

Ushad Subadar Agathee (2008) found the average returns of Stock Exchange of Mauritius (SEM) to be the lowest in the Month of March and Highest in the Month of June. The equality of means-return tests shows that returns were statistically the same across all months. The regression analysis reveals that returns were not independent of the Months of the Year, except for January.

Selvarani. M and Leena Jenefa (2009) analyzed the trends in annual returns and daily returns. A set of parametric and non-parametric tests were employed to test the equality of mean returns and standard deviations of the returns. It was found that in the NSE, there was strong evidence of April and January Effect. After the introduction of the Rolling Settlement, Friday had become significant. As far as the Day Effect was concerned, Tuesday Effect was more prevalent than Monday Effect.

Al-Mutairi (2010) found evidence of presence of the day-of-the-week effect in Kuwait stock exchange. The empirical findings showed that Saturday returns were positive and higher than other days of the week except for Wednesday, suggesting that Kuwait stock market is inefficient.

Nageswari. P and Babu .M (2011) examined the Week End Effect in the Indian Stock Market. The study found that the mean returns were positive for all days of the week, highest on Friday and lowest on Monday. It was inferred that the Day of the Week Pattern did not exist in the Indian Stock Market during the study period.
Abdalla (2012) explored the calendar anomalies of Khartoum stock exchange (KSE). The empirical findings revealed no evidence of day-of-the-week effect on stock market returns and volatility.

Objectives of the Study:

1. To examine the day-of-the-week effect on stock returns and volatility in Indian stock market.
2. To examine whether the Day of the Week pattern still exists in Indian Stock Markets.

Hypotheses of the Study:

The present study tested the following Null Hypothesis:
NH1: There is no significant difference in the stock returns and volatility in Indian stock Markets.
Nh2: There is no significant difference in the returns among Different Trading Days of the week.

Data and Research Methodology

For the purpose of this study BSE Sensex Index considered to study the Stock Market in India. Sensex is the value-weighted index of the companies listed on the stock exchange. Bombay Stock Exchange (BSE) came out in 1986, with a stock index that subsequently became the Barometer of the Indian Stock Market. Besides, it considered to be the best indicators of the performance of the whole economy. The required information for the present study were the daily closing prices of BSE Sensex Index and they were collected from the Prowess, which is a corporate database maintained by CMIE. The present study covered a Period of Five Years from 1st April 2012 to31st Jan. 2017.

Tools Used for Analysis

In this study, independence of return series was investigated for BSE Sensex Index and the returns were calculated as follows:

Rt = ln (Pt /Pt-1)).

Where Rtrepresents the continuously compounded rate of return of BSE, Ptis the closing price in day t, while, Pt-1 represents the closing price in the day before. Descriptive Statistics of the Daily Return, Standard Deviation, Skewness, Kurtosis and Jarque-Bera were used for the purpose of analysis. For the model specification, two important issues must be considered. It has been long pointed that the auto correlation problem resulted from the violation of the assumption of no auto correlation, which may result in misleading inference. This problem can be addressed by including the lagged values of proper lagged values of returns as independent variables. The second issue is that the error variances may not be constant over time (heteroscedasticity problem). This can be handled by allowing variances of errors to be time dependent to include a conditional heteroskedasticity. The generalized version of ARCH (q)is suggested by Bollerslev (1986) and makes the conditional variance, ht, a function of lagged values. This specification is known as GARCH (p, q) modeling. However, it is possible that the conditional variance, as a proxy for risk, can affect stock market returns. The GARCH model that previously discussed is symmetric and does not capture the asymmetry effect "leverage effect". However, asymmetry effect is a common characteristic inherent in most stock returns time series. In financial time series analysis, the asymmetry effect refers to the characteristic of times series on asset prices and implies that bad news tends to increase volatility more than good news. To absorb the possible asymmetry effect of the stock market behavior, the threshold ARCH or TARCH and the Exponential GARCH or EGARCH models are also used in the current research.

Analysis

Table 1. Descriptive Statistics for BSE Sensex Index from 1st April, 2010 to 31 st March, 2015

Statistics	Monday	Tuesday	Wednesday	Thursday	Friday	Overall
Mean	0.0035	-0.0016	-0.0064	5 E-05	0.0357	8. E-05
Median	0.0015	-8. E-05	0.0015	0.0210	0.0347	0.0016
aximum	0.0745	0.0628	0.0926	0.0751	0.3861	0.0934
Minimum	-0.0429	-0.0647	-0.5168	-0.0823	-0.0823	-0.0741
Std. Dev.	0.0197	0.0164	0.0378	0.0417	0.0530	0.0270
Skewness	-0.7146	-2.5692	-9.4621	-4.5061	6.3820	-0.8248
Kurtosis	15.518	17.382	125.46	19.458	154.70	17.279
Jarque-Bera	1835.4	2893.9	17345.8	3168.3	16234.6	9361.4
Probability	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Sum	0.4260	-0.5270	-0.7280	0.0527	0.6270	0.0468
Sum Sq. Dev.	0.0458	0.2457	0.2154	0.0416	0.1735	0.5402
Observations	349	281	327	290	254	1501

Source: Computed from PROWESS.

Table 1 reports the descriptive statistics for the returns of the entire studied period as well as the return for each day of the week. The average return for the entire studied period is 0.00008. The standard deviation of the return is 0.0270, and the skewness is -0.82. The kurtosis is 17.279, different from 3 and statistically significant at the 1 percent level. The Jarque-Bera normality test rejects the normality of returns at the 1 percent significant level. A closer look at each day statistics shows that two out of five days have mean return of negative signs. In addition, all-days, but not Friday, summary statistics are likely to be shaped by those of Monday. In comparison to the remaining weekday, Tuesday has the highest return, In comparison to the remaining weekdays; Friday has the highest return, kurtosis as well as the sum return and almost the standard deviation. Furthermore, the overall data as well as those of particular days all are not normally distributed as tested by Jarque-Bera. The empirical distribution confirms the presence of a non-constant variance or volatility clustering.

Table 2. Parameter estimates for the GARCH models with generalized error distribution

	GARCH		EGARCH		TARCH	
Mean Equation						
Coefficient	**Value**	**Z-Statistic**	**Value**	**Z-Statistic**	**Value**	**Z-Statistic**
C	0.00068	1.34620	0.00158	1.56380	0.00136	2.45720
Monday	-0.00093	-1.56729	-0.00351	-1.46823	-0.00457	-2.40950
Tuesday	-0.00045	-0.73825	-0.00260	-0.73480	-0.00126	-0.56239
Wednesday	-0.00007	-0.16348	-0.00017	-0.05128	-0.00015	-0.03571
Thursday	0.00163	1.67350	0.00136	2.13780	0.00147	1.56820
Friday	0.01346	1.50236	0.15290	2.34610	0.00146	1.34720
θ	0.45891	22.7034*	0.45179	19.348*	0.36729	22.4571*
Variance Equation						
ω	0.00001	5.26791*	-0.62380	-6.3481*	0.00000	4.72301*
ARCH(α)	0.36470	8.24716*	0.62370	8.34910*	0.52581	5.23910*
GARCH(β)	0.92175	30.45827*	0.623710	92.34790*	0.92513	26.3729*-
γ			0.04738	0.45179	-0.07237	-0.56279

Adj. *R2*	**0.052419**	**0.055281**	**0.063418**
AIC	-0.925165	-6.912540	-6.348210
SIC	-6.6238002	-6.458138	-6.672802
	9.342879	8.725180	8.600328
F-Test	(0.0000)	(0.0000)	(0.0000)
LL	6138.244	6055.037	6138.369
D.W	2.541220	2.116530	2.581690

Notes: * and ** imply significance at 1% and 5% levels respectively. AIC and SIC refer to Akaike info criterion and Schwarz criterion; LL is Log likelihood and D.W refers to Durbin-Watson stat.

Table 2 shows that in the three models, AR (-1) coefficients are all significant at α=1%. It also reveal that in the three models Monday, Tuesday and Wednesday have negative signs, only the opening and the closing days of the week are positive. However, all the parameters turn to be insignificant. The ARCH variable is positive and statistically significant at 1% significant level, in the three models. This means that the returns on a particular day are affected by the returns on the previous day. Therefore, high return in day t is followed by high return in day t+1. The estimated GARCH term β is always positive and significant. Also, in all models, the sum of the coefficients on the lag of squared residuals and lag of the conditional variance close to unity implying that the shocks to the conditional variance will be highly persistent. The significant of ARCH and GARCH coefficients indicate that news about volatility from the previous period have an explanatory power on current volatility. Asymmetric (leverage) term in the EGARCH model is positive but insignificant while it is, unexpectedly, negative and insignificant in TARCH model. This indicates that negative and positive news has the same impact on volatility. The results of the GARCH models for the parameters of the dummy variables indicate the nonexistence of any patterns of the day-of-the-week effect.

Conclusion

The study analyzes the day of the week effect in BSE Sensex index returns for the period from 1st April 2012 to31st Jan. 2017.This study examined the day-of-the-week effect on stock returns and volatility of Indian stock market. In this study a nonlinear symmetric GARCH (1, 1) model and nonlinear asymmetric models of TARCH (1, 1) and EGARCH (1, 1) were applied. The empirical findings reveal that in the three models, Monday, Tuesday and Wednesday have negative signs while the opening and the closing day of the week have a positive signs, but all parameters are insignificant. Therefore, the study concluded that the day-of-the-week effect is not present and BSE is an efficient stock market. Furthermore, the asymmetric EGARCH, and TARCH models show no significant evidence for asymmetry in stock returns, confirming the absence of the leverage effect in the returns series.

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A Comparative Analysis of Government and Non-government Employees' Opinion with Regard to Tax System in India

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Abstract

Tax planning means reducing tax liability without breaking any law. The main objective of the study is to analysis the opinion of government and non-government employees' with regard to tax system in India. The study is analytical in nature and sample size of 203 respondents have been taken, from which 105 respondents are from government sector and 98 respondents are from non- government sector. The collected data is analyzed with the help of various statistical techniques such mean, frequency, percentage and t-test. Further, it is concluded that most of the respondents in government as well as non-government sector are in favour Surcharge on tax should be avoided, Increase exemption limit for woman and senior citizen, Investments avenues should be increased, Limit for Deduction u/s 80C be increased, Fringe benefits should be tax free Medical reimbursements exemption should be increased, Commuted pension should be fully exempted in case of all type of employees.

Introduction

In an associate organized society, tax is inevitableas a result of it's the price for body and political stability by the final public to the Government. An effective tax strategy is vital for flourishing cash planning since payment of taxes reduces the disposable income of the tax payers. Tax planning could be a manner by that your prepare your monetary affairs in such a way that without breaking up anylaw through whichyou take full advantage of all Exemptions, Deductions, Rebate and Reliefs allowed by law in order that your tax liabilities are reduced. Government provides deductions, exemptions, reliefs or rebate for the advantage of economy and society. Once somebody makes false claims to cut back his total financial gain or by not providing any information concerning his total financial gain then it is called as Tax Evasion. Tax Evasion is an associate embezzled act also as associate immoral, anti-social and anti-national act. Tax avoidance means reducing your tax liabilitieswhile notbreaking any law. During this a private appearance for loopholes within the law and makes most of these loopholes to cut back the tax liabilities. By using Tax Avoidance, you satisfy all provisions of law however within the same time you cut back your tax liabilities too. In tax avoidance, no penalties or such things are obligatory on you as you are not breaking any law planning which leads to filing of assortedreturns in time, compliance of the applicable provisions of law and avoiding of levy of interest and penalties are often known as termed as efficient tax management.

Review of Literature

Upendar (2002) made an empirical study to determine the validity of Laffercurve (a bell shaped curve that shows the relationship between tax rates and tax revenue) in the Indian tax system in view of the substantial reductions in maximum marginal tax rates. The period of study selected was from 1960-'61 to 2000-'01. The results showed the year to year movements in the negative elasticity of income tax revenue with respect to maximum marginal tax rates. This confirmed that the Indian income tax system was operating in the prohibitive range of Laffer Curve. The Laffer Curve works efficiently only if the size of negative elasticity of income tax revenue with respect to maximum marginal tax rate exceeds unity, which was indeed not apparent in most of the financial years after 1991 raising a little doubt about the success of tax reforms. **Gupta (2009)** studied the trends and responsiveness of personal income tax in India after the tax reforms initiated in the liberalization era. The study analyzed the major trends in the taxation of personal income in India during the period 1980 - 2008. It was identified that tax reforms have a positive impact on the growth of personal income tax and the major factors which affect the increase in revenue responsiveness are reduction in top marginal rate of income tax, reduction in the number of tax slab rates, increasing compliance through wider coverage of tax payers and high GDP growth rate. **Sinha(2010)** observed that tax systems around the world have undergone significant reforms in the last twenty years due to the varying ideologies and levels of development. In the study 'An International Comparison of Tax Regimes', researcher tried to evaluate the existing tax structure in India in comparison to some of the developed as well as developing countries. The study revealed that in India the progressivity of tax structure was far below the international levels and the proportion of government expenditure financed by taxes was comparatively low in India as compared to the developed countries. It was examined that India had already adopted moderate rates and graduated slab rates in personal income tax and corporate tax. The study concluded that at present there may not be strong rationale for further reduction in the existing tax rate.**Chawla C & et al (2013)** within their study "A Study of Satisfaction Level & Awareness ofTax-payers towards E-filling of Income Tax Return – with Reference to Moradabad City" shows that the present users are satisfied with the e-filing facilities however most of the individual tax payers are not awareness of the e-filing procedures thus adequate steps are needed to create additional awareness in the minds of tax payers concerning e-filing of income tax.**SavitaandGautam (2013)** said that tax planning is an essential part of our money planning and economical tax planning that allows us to reduce our tax liability to the minimum. In the study "Income Tax Planning: A Study of Tax Saving Instruments", they determined that the most adopted tax saving instrument s Life Insurance Policy and therefore the second most adopted tax saving instrument is Provident Fund and it is also observed that between the cohort of 20 to 30 and 60 to 70, the tax saving amount is less than Rs.10,000 which shows that saving is terribly low in young age and old age and however within the age group between 40 to 50 and 50 to 60, tax saving amount is between Rs. 70,000 to 90,000 which shows the highest financial gain saved.**Sapiei and Kasipillai (2014)** identified that reforms and changes in tax laws could have an effect on the level of complexity within the tax system and increase taxpayer compliance costs burden. In the study "Tax Agents Perception of the Corporate Taxpayers' Compliance Costs under the self-assessment System", researcher found that in Malaysia, the introduction of Self-assessment System (SAS) imposes greater answerableness in terms of computational, record keeping and filing requirements upon taxpayers. The increase in taxpayer obligations as well as higher possibility of audit could need taxpayers to seek assistance from tax agents to handle tax matters on their behalf. In this study researcher evaluated the compliance costs of company taxpayers from the angle of tax agents. **Singh (2015)**analyzed that taxation is the more necessary supply of revenue for the state government to satisfy development and non-development expenditure. In the study "Trend in Tax Revenue of State Government in India", researcher measures the trend of tax revenue in term of NSDP with acceleration / deceleration. During the period of 1980-2011, it is found, the decelerated trend in tax revenue of 14 states out of 20 states and deceasing variation in average annual growth rate among the states. The growth rate of the combined tax revenue of all the 20 states taken along has ablated from 14.5 per cent in the pre reform period to 13.1 per cent in the post reform period. **Mathew (2016)** identified that tax planning is concerning taking most advantage of exemptions, deductions, rebates and reliefs permitted for below the act to cut back the tax level to its minimum. In the study "Tax Planning among Working Women with Special Reference to Cochin City", it is analyzed the majority are of the opinion that tax planning and change with tax concern matters are extremely essential in an earning person's life. Study also shows that most of them are planning their tax by themselves and only very few avail the services of professionals. Majority of respondents are happy with their present investments and avail deduction under 80C, 80D and 80G sections for tax planning. Study shows that respondents are aware concerning traditional financial and general investments. The study also reveals that operating ladies in Cochin City is not that privy to tax planning.

Objective and hypotheses

The main objective of the research paper is to analysis government and non-government employees' opinion with regard to tax system in India with the hypothesis that there is no significant difference in the opinion of government and non-government employees' with regard to tax system in India

Research Methodology

The present study is analytical in nature and related to the analysis of the opinion of government and non-government employees' with regard to tax system in India. sample size of 203 respondents have been taken, from which 105 respondents are from government sector and 98 respondents are from non- government sector by using well-structured questionnaire The data were collected with the help of questionnaire prepared with the discussion of experts on five points liker scale i.e. strongly agreed, agreed, neutral, strongly disagree, disagree on different parameters. For analyzing the collected data various statistical techniques such as mean, frequency and percentage have been used. For testing the hypotheses, t-test has been applied.

Data Analysis

Table 1 ascertains demographic profile of the respondents and table states that out of 203 respondents, 105 respondents are from government sector and 98 respondents are from non-government sector. In government sector, most of the respondents (41.90 percent) lies in age group of above 50 years and followed by 11.43 percent respondents lies between age group of 46 to 50 years, 8.57 percent respondents are of age group of 41-45 years, 13.34 percent respondents are of age group of 36 to 40 and 24.76 percent respondents ranges in age group of upto 30 years. On the other hand, most of the respondents in non-government sector, 64.29 percent lies in age group of years upto 30 years, 19.39 percent respondents lies between age of 36 to 40 years, 4.08 percent respondents are age group of 41 to 45 years, 4.08 percent respondents are in age group of 46 to 50 and 8.16 percent respondents lies above age group of 50 years. Further, most of the respondents in government sector are lying in age group of above 50 years whereas in non-government most of respondent are lying in age group of upto 30 years and non-government sector respondent are young as compared to government sector. As far as experience of the respondents, majority of the respondents (44.76 percent) in government sector have the experience of more than 25 years, 10.48 percent respondents have the experience of 21 to 25 years, 3.81 percent respondents have the experience of 16 to 20 years, 10.48 percent respondents have the experience of

11 to 15 years and remaining 19.2 percent respondents have the experience upto 10 years whereas in non-government sector, 61.23 percent respondents have the experience upto 10 years, 16.33 percent respondents have the experience of 11 to 15 years, 10.20 percent respondents have the experience of 16 to 20 years, 6.12 percent respondents have the experience of 21 to25 years and remaining 6.12 percent respondents have the experience of above 25 years. Further it may be concluded that a large number of the respondents in government sectors have more than 25 year experience and in non-government sector majority of respondent have upto 10 year experience.

Table 1: Demographical profile of the respondents

Profile	Government		Non-Government	
	Frequency	Percentage	Frequency	Percenta
Age Groups (Years)				
Upto 35	26	24.76	63	64.29
36-40	14	13.34	19	19.39
41-45	09	08.57	04	o4.08
46-50	12	11.43	04	04.08
Above 50	44	41.90	08	8.16
Total	105	100.00	98	100.00
Experiences				
Upto 10	32	30.47	60	61.23
11-15	11	10.48	16	16.33
16-20	04	03.81	10	10.20
21-25	11	10.48	06	06.12
Above 25	47	44.76	06	06.12
Total	105	100.0	98	100.0
Annual Income (Rupees in lac)				
Below 3	05	04.76	24	24.49
3-5	22	20.95	42	42.86
5-8	44	41.91	21	21.43
8-10	23	21.90	02	02.04
Above 10	11	10.48	09	09.18
Total	105	100	98	100
Gender				
Male	75	71.43	76	77.55
Female	30	28.57	22	22.45
Total	105	100.0	98	100.0
Residential Status				
Rural	17	16.19	25	25.51
Urban	88	83.81	73	74.49
Total	105	100	98	100

Source: Primary data (Data Processed through PASW SPSS 20

Annual income-wise comparison in the table shows that 41.91 percent respondents in government sector are lying in income group of rupees 5 to 8 lac and followed by 4.76 percent respondents are in the income group of rupee below 3 lac, 20.95 percent respondents are in the income group of 3 to 5 lac, 21.90 percent respondents are in the income group of rupee 8 to 10 lac and rest of respondents i.e. 10.48 percent are in the income group of rupee above 10 lac. While in non-government sector, 42.86 percent respondents are lying in income group of rupees 3 to 5 lac, 24.49 percent respondents are lying in the group of rupees below 3 lac, 21.43 percent respondents are lying between income group of rupees 5 to 8 lac, 2.04 percent respondents are lying between income groupof rupees 8 to 10 lac and rest of respondents (9.18 percent) are lying in income group of rupee above 10 lac. On the other hand, it may be concluded that in government sector, majority of respondents are from the income group of rupees 5 to 8lac whereas in non-government sector, majority of respondents are lying in the income group of rupee 3 to 5 lac.

With concern to gender groups of the respondents, a large chunk of respondents (71.43 percent and 77.55 percent) in government and non-government sector are male and rest 28.57 percent in public and 22.45 percent in private sector are female. Further it can be said that male respondent in both sector (government as well as non-government sector) are more involve in the decision making of tax planning.

With regard to residential status of the respondents shows that in government sector, 83.81 belongs to urban area and rest (16.19percent) belongs to rural area whereas in non-governmentsector, 74.49 percent respondents belongs to urban area and 25.51 percent belongs to rural area, which concluded that majority of respondents in both sector (government as well as non-government sector) are belongs to urban.

Table 2 shows the response of the employees with regard to tax system in India. It is clear from the table that most of the respondents in government and non-government sector are in favoure of tax rate in India at higher side ($\bar{x}$-1.90 and $\bar{x}$-1.77),increasing tax exemption limit is favourable ($\bar{x}$-1.63 and $\bar{x}$-1.91), surcharge should be avoided ($\bar{x}$-2.29 and $\bar{x}$-2.12), rate should be reduced ($\bar{x}$-1.87 and $\bar{x}$-2.06), present taxation procedure is complex ($\bar{x}$-2.33 and $\bar{x}$-2.69), direct tax code procedure will bring simplicity in taxation ($\bar{x}$-2.45 and $\bar{x}$-2.28), increase exemption limit for woman and senior citizen ($\bar{x}$-2.30 and $\bar{x}$-2.22), improvement in tax payer service is helpful in reducing compliance cost ($\bar{x}$-2.40 and $\bar{x}$-2.34), deduction for saving account interest should be increased ($\bar{x}$-2.10 and $\bar{x}$-2.51),

Table 2: Employees' opinion with regard to tax system in India

Statements	Government		Non-Government		t-Value	p-Value
	Mean	S.D	Mean	S.D		
Tax Rates in India are at Higher side	1.90	.876	1.77	.961	-1.008	.351
Increasing Tax Exemption limit is favourable	1.63	.737	1.91	.932	2.379	.038
Surcharge on tax should be avoided	2.29	1.044	2.12	1.142	-1.064	.289
Tax Rates should be reduced	1.87	.680	2.06	1.053	1.574	.195
Present Taxation Procedure is Complex	2.33	.967	2.69	1.009	2.598	.361
Direct Tax Code procedure will bring simplicity in taxation	2.45	.769	2.28	1.033	-1.334	-.172
To increase exemption limit for woman and senior citizen	2.30	1.084	2.22	1.145	-.513	-.080
Improvement in Tax Payer Service is helpful in reducing compliance cost	2.40	.839	2.34	1.025	-.483	-.063
Deduction for saving account interest should be increased	2.10	.898	2.51	1.334	2.556	.405
Rationalization and simplification of Tax Laws be inevitable	2.61	.904	2.31	1.078	-2.177	-.303
Tax deduction is suitable at source	2.67	1.291	2.47	1.237	-1.110	-.197
Penalization procedure for effective Tax system will be helpful in the economy	2.53	.867	2.18	1.152	-2.454	-.350
Nominal tax rates should be deducted from all employees at source	2.65	1.109	2.26	1.160	-2.464	-.393
Deduction of tax reduces Cost of tax administration	3.84	.932	3.23	1.138	-4.146	.000*
Tax Planning Education should be provided for effective measures	2.23	.880	2.41	1.242	1.195	.234
Tax liability be minimized for employees	2.08	.937	2.02	1.015	-.407	.684
Investments avenues should be increased	2.07	.880	1.91	1.016	-1.190	.235

Widening tax net will be helpful in increasing Government revenue	2.23	.983	2.07	1.096	-1.077	.283
Limit for Deduction u/s 80C be increased	1.81	.748	1.89	1.102	.595	.552
Tax System be implemented Properly	2.04	.771	2.04	1.083	.021	.983
Fringe benefits should be tax free	2.12	.829	2.08	1.172	-.298	.766
Medical reimbursements exemption should be increased	1.86	.790	1.85	.998	-.081	.935
Tax evasion can be minimized through widening the tax net	3.45	1.038	3.06	1.063	-2.620	.000*
Commuted pension should be fully exempted in case of all type of employees	1.70	.774	1.76	.931	.499	.618

Source: Primary Data (Data processed through PASW 20)*= significant at one present level

Rationalization and simplification of tax laws be inevitable ($\bar{x}$-2.61 and $\bar{x}$-2.31), Tax deduction is suitable at source ($\bar{x}$-2.67 and $\bar{x}$-2.47), Penalization procedure for effective tax system will be helpful in the economy ($\bar{x}$-2.53 and $\bar{x}$-2.18), nominal tax rate should be deducted from all employees at source($\bar{x}$-2.65 and $\bar{x}$-2.26), tax planning for education should be provided for effective measures ($\bar{x}$-2.23 and $\bar{x}$-2.41), tax liability be minimized for employees ($\bar{x}$-2.08 and $\bar{x}$-2.02), investment avenues should be increased ($\bar{x}$-2.07 and $\bar{x}$-1.91), widening tax net will be helpful in increasing government ($\bar{x}$-2.23 and $\bar{x}$-2.07), limit for deduction u/s 80C be increased ($\bar{x}$-1.81 and $\bar{x}$-1.81), tax system be implemented properly ($\bar{x}$-2.04 and $\bar{x}$-2.04), fringe benefits should be tax free ($\bar{x}$-2.12 and $\bar{x}$-2.08), medical reimbursements exemption should be increased ($\bar{x}$-1.86 and $\bar{x}$-1.85), commuted pension should be fully exempted in case of all type of employees ($\bar{x}$-1.70 and $\bar{x}$-1.76). While majority of the respondents in government and non–government sector are not in favour of deduction of tax reduces cost of tax administration ($\bar{x}$-3.84 and $\bar{x}$-3.23) and tax evasion can be minimized through widening the tax net ($\bar{x}$-3.45 and $\bar{x}$-3.06). Further after applying the T-test, the result shows that there is significance difference found in the opinion of government and non-government employees with regard to tax system in India where p-value is greater than 0.05 except deduction of tax reduces cost of tax administration and tax evasion can be minimized through widening the tax net.

Conclusion

It may be concluded that most of the respondents in government as well as non-government sector are in favour Surcharge on tax should be avoided, Increase exemption limit for woman and senior citizen, Investments avenues should be increased, Limit for Deduction u/s 80C be increased, Fringe benefits should be tax free Medical reimbursements exemption should be increased, Commuted pension should be fully exempted in case of all type of employee except deduction of tax reduces cost of tax administration and tax evasion can be minimized through widening the tax net.

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Spiritual Manifestations Towards Wealth Management

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Abstract:
The horizons of wealth management is becoming gradually wider and we must be equipped with an up-to-date knowledge of the valuable contributions of the foreign scholars who have linked the financial transactions with the internet banking and the money transfer has become very fast giving a boost to international trade. Now, the logical question which comes to our mind is as to where would the ever-growing hefty financial transactions would lead us to? No doubt, the contribution of International Monetary Fund and the World Bank is appreciable but the direction of these institutions lie in the grip of certain European countries and the budget of developing and under developing countries are being given detrimental directions to humanity by sectioning polluting industry for such countries under the influence of financial support Indology is an ideological vision. It has a physical and psychological perception for regulation of human life and business environment. To lead an ideal,happy and contented lifeis the requirement of every individual irrespective of the caste, creed, time and place. Education and economics are two most significant determinants for leading an ideal life.Numerous Vedic passages reveal that people wanted to possess a considerable amount of wealth. Nobody was allowed to collect unlimited wealth by encroaching upon the livelihood of others. Vedic seers were always cautious of the fact that nobody could earn wealth by wrong means. It should be earned through following the right path. They knew that

the wealth earned through right means could alone be ever-increasing, fame-giving

Key words: *Spirituality, Indology, Perception, Wealth and Ultimate Reality*

Introduction

ॐईशावास्यमिदँ सर्वं यत्किच जगत्यां जगत्।
तेन त्यक्तेन भुञ्जीथा मा गृधः कस्य स्विद्धनम्।।१।।

ईशावास्योपनिषद्

जगत् में जो कुछ स्थावर–जङ्गम संसार है, वह सब ईश्वर के द्वारा आच्छादनीय है (अर्थात् उसे भगवत्स्वरूप अनुभव करना चाहिए)। उसके त्याग–भाव हेतु अपना पालन कर; किसी के धन की इच्छा न कर।।।१।।

The basis of wealth is very much clear in the Upnishdic knowledge. According to the above version the man has been prohibited to keep an eye on the earnings of others and manage the wealth on the trustee system. The man should understand that he is only the custodian of the available wealth and has the right to make use of the economic and other resources but should not be desirous of owning anybody's wealth.

Economic interpretation of fourfold values of life

Indology interacts with the fourfold principles of life termed as Dharam, Arth, Kaam and Moksh.

Dharma: Dharam is the directional science which provides the strategies of life and business administration. Dharam will regulate the man on 'live and let live' doctrine in social living. It will prohibit the business man from excessive charging of price and preaches not to exploit the situation of non-availability of products

सर्वेभवन्तुसुखिनः सर्वेसन्तुनिरामयाः।

सर्वे भद्राणी पश्यन्तुमाकश्चित् दुःख भागभवेत्।।

The Indological direction to on philosophy of business is to carry on the business for the welfare of the general public at large and the profits from business are to be shared by all deserving people and negates' the fittest, the survival' doctrine of the western world.

Arth Indology will also regulate the demand and supply pattern of business on the basis of good governess. Darshan Shastras provide the strategies. Arth represents the economic activitiesby which the human beings can earn their livelihood. Dharam regulates the demand as to how much the man needs to demand and at what point of time. It also directs the human being to make an assessment of time and circumstances under which the demand is to be made. Dharma does not approve of unnecessary exaggeration of demand.

Kaam Kaam represents the demand segment of human beings, Darshan Sastras disaffirms demand. They teach the human beings to first deserve and then desire. There is nothing wrong in expressing one's demand pattern but the Sastras prohibit any unnecessary inflation of demands. Darshan Shastras prohibit any exploitation of the business situation. By keeping pace with the directions of the Vedic Shastras, Indian financial and wealth management system can be saved from situation of inflation or deflation.

Moksha The fourth part is Mokhsha which represents the fruit of the whole business exercise. Dharam directs of keeping in view of the paying capacity of customers while fixing the prices of the goods and the businessman should charge fair prices. Moksha is the final destination of human life and Dharam stress to have purity of mind for the human being.

Ancient and Modern beliefs on Wealth

India is a cradle of philosophy. In India, where there lived kings like Raja Janaka, and

Ajat-Shatru, Brahmins like Yagayavolkya and Nachiketa, scholars like Sankara Acharya and Kumarila. Bhatt who have from time to time advocated the pious financial deeds and the scholars like Kautilya gave everlasting principals of financial and wealth management. At times the river routes were being developed for transportation of goods which gave links for further development by present generations. The Indian Hunditook the shape of Letter of credit under current financial world. The Kautilyas concept of appropriation out of the profits and ultimate distribution of profits was in existence in ancient India. And who denies that profit-motive is the basic motive of businessman?

अलब्धलाभार्या, लब्धपरिरक्षणी,
रक्षितविवर्धनी, बृद्धास्य
तीर्थेषुप्रतिपादनी च।

—कौटिल्य अर्थशास्त्र, पुस्तक 1, पाठ 6.

Book I of kautilya's Arthsastra it is ameans to make acquisitions, to keep secure what has been acquired, to improve (and increase) what has been kept securedand to distribute the profits of improvement (for profits arising out of the increased wealth) among the deserved (or the persons who have got a legitimate share of the profits).

The horizons of wealth management is becoming gradually wider and we must be equipped with an up-to-date knowledge of the valuable contributions of the foreign scholars who have linked the financial transactions with the internet banking and the money transfer has become very fast giving a boost to international trade. Now, the logical question which comes to our mind is as to where would the ever-growing hefty financial transactions would lead us to? No doubt, the contribution of International Monetary Fund and the World Bank is appreciable but the direction of these institutions lie in the grip of certain European countries and the budget of developing and under developing countries are being given detrimental directions to humanity by sectioning polluting industry for such countries under the influence of financial support.

Objectives of Study

- This paper aims at understanding the meaning of Wealth Management. In addition the paper is an effort to explore the Indological perception towards the wealth Management. The objectives are listed below:
- To understand the Spiritual understanding of Wealth.
- To explore the spiritual perception towards the wealth Management
- To suggest actions and strategies for better implementation of wealth Management on the basis of Indian vision.

Related Literature

Survey of related literature is an important pre-requisite to the planning and implementation of a planned research project. Its review is an exacting task, calling for a deep insight and clear perspective of the overall fields. It is a crucial step, which invariably minimizes the risk of dead ends, rejected topics and rejected studies, waste efforts, trial and error activity oriented towards approaches already discarded by previous investigators and even more important erroneous finding based on a faulty research design. The review of the literature promotes a greater understanding of the problem and its crucial aspects and ensures the avoidance of unnecessary duplication. It also provides comparative data on the basis of which to evaluate and interpret the significance of one's findings.

Kannan (2009)found that *Vedic wisdom* can be resorted fruitfully to the contemporary business organizations and *Vedic statements* apply stunningly to the modern business management practices. The *Vedas* call upon everyone to earn and augmentation of wealth. The primary objective of financial management is maximization of shareholders' wealth. They advise one not to reject or condemn wealth. They urge upon one to be prosperous. The study involves the various aspects of business like wealth maximization, capital structure planning, profitability management, fiscal management, social justice management and their correlation with Vedas.

Daly Herman E. (2005) Economics in a full World: found that the global economy is now so large that society can no longer safely pretend that it operates within a limitless ecosystem. He found that **developing an economy can be sustained within the finite biosphere but require some adjustments.** Sustainable economy should sustain the rate of growth of GDP. Sustainable economy would require many adjustments to economic policy and has discussed the problem in the light of product lifetime, GDP growth, trade practice, taxes, employment and found that happiness is considered to be the ultimate aim of all economic activity. To maintain happiness of the masses, the adjustments with surrounding ecosystem should be managed in the right direction and sooner it is initiated, the better it would be, since further growth does not promote happiness. Instead the correlation between absolute income and happiness extends only up to some threshold of "sufficiency" beyond that point only relative position influences self-evaluated happiness and more so growth cannot increase everyone's relative income. People whose relative income increased as a result of further growth would be offset by others whose relative incomes fall.

Burdett Jane (2003)finds the effective learning in groups. The paper explores the perception of final year university business students. The five point Likert type scale was used and the data was analyzed using the statistical software package, SPSS version 9. Positive and negative perception of groups was analyzed. The writer suggests the strategies to assist positive group interdependence and accountability for all members are essential for achievement and fairness and equity in processes and outcome.

Sahai (1977). After obtaining information about their father from Mother Nang Sida both brothers Phar But and Phar Hup (Love and Kush) left for the city of Ayuthiya. In the nabourhood of the capital they met two female vendors of Cucumber who accompanied them to the market. The author describes that Hualaman (Mahavir Hanuman) was attached to the chief of taxation department of King Rama and on refusal to pay tax by Phra Butt; a battle took place in which Hualaman was wounded and left the cityto live on the Jambu tree, the symbol of the continent. That means the tax was forcibly collected even in Lord Rama's regime.

Kautilya Arth-shastra (Treatise on the Science of Economics and politics) are given to show the ancient Indian thinkers were not uninterested in practical and theoretical problems of economics and politics. The detailed discussion about the nature of sovereignty, representative institutions, peace and war, the validity of punishment, the principles of taxation, the police and moral functions of the state, etc. indicate that the political thinkers of ancient India combined idealism with a high degree of realism.

Rathore (1963). According to Kathoupnishad the human being never gets satisfied in case of wealth and financial wellbeing.

Churchill, Gilbert A and Surprenent Carol (1982)found that Financial Liberalization has led to intense competition pressure on the banks. Because of which they have diverted their strategies towards increasing customer satisfaction and loyalty through improved service quality. Typically, customers perceive very little difference in the banking products offered by banks. This is so because any new offering is quickly matched by the competitor.

Kayastha S.L. and Yadav R.P. (1977)."Perceptions are pieces of knowledge which are acquired by the individual as a result of his visual tactile, verbal and auditory contacts with the environments around him. They are not necessarily accurate by scientific standards; rather they are more or less accurate". The level of perception certainly effects decisions. Degree of perception, adequate and inadequate perception, degree of perceptive adjustment, degree of communication of problems, facilities and better perception plays a significant role while forming perception about a material object or human being

Philosophy of Wealth

The study of various texts also reveals the following aspects of wealth. Man is a universal learner and should learn wealth utilization from ancient Indian knowledge.

I) Wealth means immense energy

ii) Energy of wealth blows like that of wind.

iii)Wealth can be constructive or destructive.

iv)Constructive wealth can do wonders.

v) Destructive wealth can lead to destruction.

vi) Wealth is powerful and energetic

vii) Wealth is to be revived and saved.

viii) Wealth will have to be redeemed.

ix) Wealth asks different questions at different times.

x) Wealth wants assurance and satisfaction.

xi) Wealth suffers from ***karpanyadosa*** (Karmka Dosh or kripanyta) and needs cure.

xii) Wealth is often confused and needs guidance from teachers, consultants and financial organizers.

xiii) Wealth is the offspring of environment and finally mixes with environment unless otherwise positively/negatively put to action.

xiv) Wealth is finally redeemed by the love of the lord since it is unconcerned and unattached.

दानं भोगो नाशस्तिस्त्रो
गतयो भवन्ति वित्तस्य।
यो न ददाति न भुंक्ते
तस्य तृतीया गतिर्भवति।।

Riches are said to be of three kinds:

I. Honestly got

II. Acquired by more or less doubtful names

III.Dishonestly got

Possession of wealth

There are three important functions of wealth i.e. firstly it needs to be given to Charity and with the sacrifice the earnings get purified secondly it should be utilized for all pleasurable actions and must be utilized for personal comforts and lastly the remaining wealth gets destroyed. Charity, enjoyment and destruction are the three courses of wealth. He who neither gives nor enjoys loses his wealth.

Different terms denoting Wealth

The wealth consists of many things. The different terms used in the Vedic texts clearly bear this fact out. In the entire range of Samhita literature we meet with about 24 such terms used for welath. They are: Vasu, Magla, Rayi, Raya, Sreva, Hiranya, Radha, Dhana, Bhaga,Dyumna, Ratna, Sri, Dravina, Varivas, Kshetra, Arth, Tana, Vitta, Nidhi, Amsa, Rekna, Riktha, Daya and Anna.

Discussions

Indology as depicted in a number of books stands and investigates and has a particular vision full of humanitarian and philanthropical ideology which may guide the modern human beings and business Management alike, therefore, it would be very appropriate to peep into the Vedas to know the ideology as well as economic policy formulated by seers (the law-makers of the society at that time). Moreover, it would be significant to see the relevance of Vedic Economic policies in the contemporary business world, especially when the entire world is facing a turbulent economic crisis. The Karma theory from Bahgawat Gita narrates that the results of Karma may lay dormant and the human being should perform only Nishkaam karma.

कर्मण्येवाधिकारस्ते मा फलेषु कदाचन।
मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि।।
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According to Bhagwat Gita Chapter2 Distich(shaloka) 47 the man has the right to work only and never the fruits thereof. Let the fruits of actions, by your object, nor your attachment be to inaction. So when the actions by the man and the fruits thereof are not to be owned by the man then how can the wealth of others be owned by the person. Therefore the religious books of the east prohibit any ownership on others wealth.

Conclusion and Suggestions

Artha or wealth is the basic need of the human beings to upkeep himself, his family, the society and the nation. He wants to ensure food, clothes and other things of life for the happiness and pleasure for the whole life and for his future generations, too. In the Vedic society everyone has the chance to earn his livelihood according to his ability, equality and requirements. Both profession and conduct should be combined together to earn the wealth to meet with the financial requirements. Adem Smith propounds the following rules or cannons of taxation i) equality ii) certainty iii) connivance and iv) economy. Thiers says taxation is the legitimate support of government.

The management is concerned with the future planning therefore an assessment of the future trends become necessary. If a manager has fairly good Vedic knowledge,he can anticipate long range trends with a fair degree of accuracy. If the top personnel management knows, they may be in a better position to evaluate each one of different categories of personnel and work would be able to remove the obstacles for smooth running of the business and obtain optimum results.Reason stands aghast at finding that all the difficult wealth management problems in region and metaphysics with which it has been grappling for a solution through all these years have already been solved by sturdy old minds of India, and not only solved but carried into practice in daily life.

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