

ISSN 2249-1643
RNI-MPENG/2011/36768

January - June 2020



MANAGEMENT EFFIGY

VOLUME XI, ISSUE I



SHRI VAISHNAV INSTITUTE OF MANAGEMENT, INDORE

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**From the Editor's Desk:**

Dear Readers,

Greetings!

I am delighted to release the Management Effigy, Volume XI, Issue I, a peer reviewed ISSN Journal, Indexed with J-Gate, that harnesses the expanding discipline of Management by encouraging original research articles that report significant findings in the field of management.

The global economy has witnessed the impact of the COVID 19 pandemic. The education sector worldwide and even in India has been affected severely due to this. Schools and higher education institutes have halted badly, resulting in irrecoverable loss in terms of learning and research. The structure of teaching, learning and research has shifted from the offline to the online medium. The pandemic has pushed the world to drastically reinvent ways of coping with the 'new normal'. In this time of crisis, a well-rounded and effective educational practice is needed for the capacity-building of young minds. Management Effigy encourages good research and provides a platform to publish empirical and conceptual papers, cases, and scholarly work of young researchers.

The paper '**Sector-wise Contribution in GDP: A South Asian Perspective**' explored the sector-wise contribution in GDP of selected South Asian Countries in the time span of the years 2009 to 2019. It found that GDP contribution from the agriculture sector has declined significantly, whereas, GDP contribution from the service sector has increased from 2009 to 2019. The paper '**A Study Analysing Challenges Encountered by Budding Entrepreneurs of Indore City**' focussed on the challenges faced by entrepreneurs of Indore city, such as age stereotype, financial issues, social rejection, criticisms, legal issues and so on.

The paper '**Stock Prices of IT Firms: A Study on Dividend Decision**' measured the effect of dividend decision on the stock prices of the selected five IT firms for last 10 years. '**Students' Perception towards Admission in Higher Education: with Special Reference to Indore Region**' was carried out to identify the factors that motivate students to take admission at professional PG colleges of the Indore region. These factors include educational aspirations, socio-economic factor, institutional branding and placement records.

'**Study of Utility of WhatsApp among Youth in Indore**' identified the drivers that create the perception of WhatsApp users towards its utility. The paper '**An Analysis of Performance of Selected Large Cap Mutual Funds in Volatile Indian Capital Market**' measured the performance of selected large cap funds in comparison to BSE SENSEX for the period from January 2015 to December 2019.

A book review on '**Who Will Cry When You Die? Life Lessons from the Monk Who Sold His Ferrari**' revealed the importance of communication skills and wise usage of the same as a key to become successful in personal and professional life as well as to develop cordial relations in life.

I extend my sincere thanks to the authors and members of the Editorial Board and Advisory Board for their constant cooperation and guidance. I am very much hopeful that this issue will add value to the knowledge and learning of academicians, scholars, students and practitioners of Management.

With warm regards,

Dr. George Thomas



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A STUDY ANALYSING CHALLENGES ENCOUNTERED BY BUDDING ENTREPRENEURS OF INDORE CITY

Sampada Najan*, Chanchala Jain**

Abstract

Entrepreneurs, the significant part of economic development, are serving the society and nation as a whole. Entrepreneurs with versatile qualities live their dream and execute their ideas. The risk of initiating business is mitigated by them with their competencies and skills. But still they have to bump into various problems and challenges such as financial issues, formulation of marketing strategies, finding prospective customers, legal obligations, social criticism, etc. Present study tries to identify the main challenge encountered by entrepreneur of Indore city. For the purpose a questionnaire was structured with few challenges on the basis of previous studies. A sample of 57 entrepreneurs was taken of Indore city and ranking was asked them to make. The Garrett's Ranking statistic was used to achieve the objective through the collected data. The results reported among ten challenges financial issues is main challenge encountered by entrepreneurs of Indore city.

Keywords : Entrepreneur, Challenge, Garrett Ranking, Economy, Financial Issue

The journey of an entrepreneur is never been easy as sometimes he takes risk to execute an unusual idea. To initiate a business and to carry it on is likewise to up bring a child. To understand the business and run it successfully can be a tough task for an entrepreneur as he can face many problems such as procurement of finance, hiring the right employees, marketing the product, making strategies, understanding customers and their needs, manufacturing right product as desired by customers, etc. The biggest challenge before an entrepreneur can be to operate his business in limited finance. Demand-supply equilibrium, market segmentation, targeting right customers, operational expenses, economy of scale, technological up gradations, cost considerations, etc. are few more problems which can shake any business if do not understand and deal well.

Many challenges have been put forward by the dynamic economy, competitors, globalization and industry in which business is being operated.

The state of being an entrepreneur is termed as entrepreneurship which enables a person to initiate a business and come across adversity, challenges, problems, competitions and failures with enthusiasm and wiliness to win. Qualities of an entrepreneur help him to overcome such problems and to deal with the challenges thrown at him by the elements of an economy. This way he becomes able to take practical and rational decisions and to focus on to achieve his pursuit of the goals.

Every day brings new challenge for an entrepreneur but to match them and face it successfully is the job of him. Present study tries to understand such challenges encountered by an entrepreneur and also tries to analyze them in the perspective of Indore city.

Review of Literature

Sharma, S. (2018) took only those startups of India which were registered with MCA (ministry of corporate affairs). Sample size for the study was 57 and data was gathered by conducting interview personally. This study concluded the problems related to marketing like how to create business, branding company, facing

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competition from local vendors along with financial challenges like raising capital, pricing of services, payment related problem and other challenges such as social issue, technology infrastructure, lack of communication sources, etc. are faced by startups.

Chandrasaha, M. R. (2016) According to this paper rural entrepreneurship helps the economic development by removing poverty. It was reported that although Indian Government introduced so various schemes for the rural area welfare but the youth of rural area do not have interest in becoming an entrepreneur because they have lack of motivation, they need proper training and support as well as motivation for the same. Benazir (2014) in this research author stated that there are so many challenges but every challenge or problem has solution for it. The major challenges faced by an entrepreneur are finance related challenges, competition in market etc. To overcome these challenges there are many ways such as investment of their personal savings, taking loan from bank, etc. The main power of any entrepreneur is positive attitude towards their business.

Kanchana, K. S. (2013) in this research titled as "Challenge face by new Entrepreneurs", author stated that, there are various challenges face by new entrepreneurs which include raising funds for start-up, developing business plan, finding suitable staff, having insufficient marketing facilities, lack of infrastructure facilities, problem to find customers and dealing with the competitors. For being a good entrepreneur a person should have variety of skills and motivation to start a new enterprise and should take initiatives to make it successful.

Kumar, D. S. (2011) conducted study on "Entrepreneurship Challenges and Opportunities in India", he stated that the economic condition of the country in which new organization is going to be set up should be favorable to work efficiently, and there must be flexibility, innovative idea, and strong motivation. Entrepreneurial growth is not only the growth of an individual but it also helps to grow the economy of a country. Entrepreneur also contributes to increase new job opportunities which lead to amplify in country's national income.

Goyal, M. and Prakash, J. (2011) examined that when woman become an entrepreneur, she can give job opportunities to 10 more women. Talent of the women should be identified and proper training in various industries should be given to them in which they are having interest and thus can increase the productivity. The study stated that now a day the position of women entrepreneur is better and equality is being given to them but usually the government support is only given to those women entrepreneur who belong to urban middle class.

Objective

- The chief of the present study is to make out the challenges encountered by entrepreneur of Indore city. The study also tries to rank the challenges and diagnose the chief challenge faced by entrepreneurs of Indore.

Research Methodology

The Study

The study is exploratory in nature as it tries to list challenges encountered by entrepreneurs and also indicates the chief challenge by asking respondents to rank them. For the purpose, a self structured questionnaire was developed containing list of challenges (on the basis of literature review) along with demographic profile of the respondents.

Sampling and Data Collection Tool

A structured questionnaire containing 10 challenges usually faced by entrepreneurs are listed and data was collected from 57 entrepreneurs of Indore city through convenient sampling. There were 12 female



entrepreneurs (21.1%) and 45 male entrepreneurs (78.9%).

Tool for Data Analysis

The responses of the respondents were converted into the numerical values by using Garrett technique which is very much useful. Following formula is used for Garrett’s score conversion:

$$\text{Percent position} = 100 (R_{ij} - 0.5) / N_j$$

Where, R_{ij} – Rank given for the i th variable by the j th respondents

N_j – Number of variable ranked by j th respondents

Data Analysis

Respondents were asked to rank the challenges as per their experience. Following table depicts the ranks given by respondents:

Table 1: Ranks Rendered by Respondents

Sr. No.	Problems Encountered by Entrepreneur	Ranks Rendered by the Respondents									
		I	II	III	IV	IV	VI	VII	VIII	IX	X
1	Facing Age Stereotype	5	4	5	4	6	2	4	5	5	17
2	Financial Issues	19	9	4	7	6	7	1	3	1	0
3	Social Rejections	1	6	5	7	6	11	3	8	6	4
4	Facing Criticism	7	2	6	5	7	4	8	2	12	4
5	Hiring Employees for the first time	3	5	5	7	8	6	5	9	7	2
6	Deadline with Stress & Self Doubt	1	3	8	4	2	7	10	9	4	9
7	Finding Customers	8	11	6	7	7	3	4	3	1	
8	Marketing Strategies	5	6	10	7	6	2	9	6	5	1
9	Legal Issues	3	14	4	8	5	2	8	3	5	5
10	Managerial Barriers	4	6	4	2	8	9	5	4	8	7

Source: Authors’ Calculation

The Percent position and the Garrett score are presented in following table:



Table 2: Garrett's Score

S. No.	$100(R_{ij} - 0.5)/N_j$	Calculated Value	Garret Value
1	$100(1 - 0.5)/10$	5	82
2	$100(2 - 0.5)/10$	15	70
3	$100(3 - 0.5)/10$	25	63
4	$100(4 - 0.5)/10$	35	58
5	$100(5 - 0.5)/10$	45	52
6	$100(6 - 0.5)/10$	55	47
7	$100(7 - 0.5)/10$	65	42
8	$100(8 - 0.5)/10$	75	37
9	$100(9 - 0.5)/10$	85	30
10	$100(10 - 0.5)/10$	95	18

Source: Authors' Calculation

Table 3: Computation of the Garrett's Value

Sr. No.	Problems Encountered by Entrepreneur	Ranks Rendered by the Respondents									
		I	II	III	IV	IV	VI	VII	VIII	IX	X
1	Facing Age Stereotype	5	4	5	4	6	2	4	5	5	17
2	Financial Issues	19	9	4	7	6	7	1	3	1	0
3	Social Rejections	1	6	5	7	6	11	3	8	6	4
4	Facing Criticism	7	2	6	5	7	4	8	2	12	4
5	Hiring Employees for the first time	3	5	5	7	8	6	5	9	7	2
6	Deadline with Stress & Self Doubt	1	3	8	4	2	7	10	9	4	9
7	Finding Customers ⁷	8	11	6	7	7	3	4	3	1	
8	Marketing Strategies	5	6	10	7	6	2	9	6	5	1
9	Legal Issues	3	14	4	8	5	2	8	3	5	5
10	Managerial Barriers	4	6	4	2	8	9	5	4	8	7

Source: Authors' Calculation

The Percent position and the Garrett score are presented in following table:

**Table 4: Ranking of Challenges encountered by Entrepreneurs**

S. No.	Problems Encountered by Entrepreneur	Total	Mean Score	Rank
1	Facing Age Stereotype	2452	43.01754	X
2	Financial Issues	3670	64.38596	I
3	Social Rejections	2726	47.82456	VII
4	Facing Criticism	2776	48.70175	VI
5	Hiring Employees for the first time	2804	49.19298	V
6	Deadline with Stress & Self Doubt	2496	43.78947	IX
7	Finding Customers	3250	57.01754	II
8	Marketing Strategies	3040	53.33333	III
9	Legal Issues	2983	52.33333	IV
10	Managerial Barriers	2679	47	VIII

Source: Authors' Calculation

Findings and Suggestions

The result of the study reported that main challenge faced by the entrepreneur of Indore city is financial issues. Financial issues may include shortage of working capital, improper utilization of working capital, poor financial management, problem of loan disbursement, repayment of loan, and inappropriate budget planning. These issues are very sensitive and need attention and proper guidance to deal with such issues. Expert guidance and assistance are also available today which can help entrepreneurs to tackle such financial issues efficiently. Government of India is making many lucrative as well as beneficial schemes to promote start up and improve the ratio of entrepreneurs in the country. Thus, the new and young entrepreneurs must not pay attention to this problem and should take action on their idea. It should be ensured that schemes are known by the entrepreneurs and the procedure of documentation should be made more easy and simplified so that entrepreneurs will be motivated enough and feel comfortable.

A second challenge encounter by entrepreneurs is finding the customers. In present time, customers are treated as the king. Therefore understanding their needs, desires or wants become imperative for every business. If such research has been done timely by the companies, they rarely will face problem in finding customers. There are various channels of communication which can help businesses to reach their prospective customers. Social media is the channel which is playing important role not only to advertise the products of companies but also help to find prospective customers. Market segmentation can also be the right way to reach right customers.



Next problem come across by the entrepreneurs is marketing strategy. Marketing strategy can be the crucial task for any person who is not strong in decision making and in thinking rationally. Marketing strategy helps to project the products and services of a company and helps to make them well-known brand, provided appropriate market segmentation, channel of distribution and right strategy are chosen by the company.

There can be a separate entrepreneurial organization which can assist entrepreneurs in following matters:

- Meeting the requirements of finance
- Help in dealing with legal issues in efficient manner
- Help in formulating marketing strategies and to market the product
- Assistance in getting subsidies, concessions, discounts, etc.
- Help to understand latest and updated technical know-how
- Help to procure right raw material at economical price
- Assistance and guidance to carry out market surveys and to arrange the feasibility counselling, follow ups, etc.
- To conduct motivational seminar timely to stay focus on stated vision and objectives of entrepreneur
- In dealing with the managerial issues

Conclusion

Entrepreneurs are the backbone of an economy. They not only serve a country but also help it to grow and fight against problems of unemployment and poor economic growth. Entrepreneur should be optimist and opportunist as well who can diagnose a possibility and can take immediate action upon it. Because the profit made by entrepreneur not only the benefit of him alone but it also gets distributed in employees associated to entrepreneur and also increase the economic value of any country. The knowledge of business is important for an entrepreneur but he/she must be keen in using the latest and updated technology aptly. Market conditions are independent and thereby the only way to deal with them is to understand them well and shape strategies according to them and make rational decisions accordingly.

It is quite obvious that an entrepreneur faces many problems while starting his enterprise. The problem of finance is most ranked among listed problems. But every problem has solution and for financial problem the solution can be loan and personal savings of entrepreneurs. Apart from them government provided subsidies can also be availed by entrepreneur to meet such problems. Every problem can be encountered if an entrepreneur is enthusiastic, optimistic, open-minded and rational.



Present study reported that main challenges faced by entrepreneurs in Indore city are the financial issues, finding customers and marketing strategy, etc. These challenges can be overcome by entrepreneurs through proper knowledge, guidance and right business plan. Entrepreneur must rely on his strengths such as self confidence and positivity and should overcome the weakness of fear of failure and wrong decision. While starting a new business facing such kind of problems is pretty obvious but entrepreneur's strengths motivate him and force him to focus on his pre-decided goal and objectives.

Limitations of the Study

- The study only focuses on challenges faced by entrepreneurs.
- The sample is small in size, probably to specify the challenge.
- The study is time bound.
- The region of the study is also one of the constraints. The present study is conducted in Indore city. Therefore, the outcomes cannot be generalized for whole state or country. It is only a representative research.

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STUDY OF UTILITY OF WHATSAPP AMONG YOUTH IN INDORE

Vinay Mishra*, Pulkit Jain**, Monica Sainy ***

Abstract

The purpose of the present paper is to identify the drivers that create perception of WhatsApp users towards its utility according to the respondent's profile. As in present scenario, WhatsApp has become an inevitable part of day to day life, as it provides easy and cheap chatting medium to the user. This study focuses on features and usage of the WhatsApp and to understand its applications by the users. The present study used a sample of 100 users who are using different chatting apps and to identify how the WhatsApp features make users to use it more as compare to other chatting apps. The responses were collected through structured Likert scale questionnaire. Pie-chart, Percentage Analysis and t-test have been used for analyze. Findings of this study revealed that there was no significant difference on perception of male and female on utility of WhatsApp. Both male and female users find WhatsApp very useful. Other factors in which there was gender-based no significant difference were – fact scale/thoughts, likeability factor, positive impact factor and negative impact factor. Hence it can be concluded that both male and female users have similar perception on above mentioned factors in using WhatsApp.

Keywords : WhatsApp, Users' Perception, Utility

Introduction

The world of communication is ever changing due to the developments in the field of science and technology. People feel so proud that they are depending upon technology in their day to day life. Right after getting up in the morning till their last work before sleep, they make use of technology. To fulfill their need of communication, the most often used technology driven media are computers and mobile phones.

Today's generation is too much obsessed with luxury and their life is literally taken away by the use of new media. The trend of multitasking, an activity of instant messaging while doing homework or during class lectures has become a usual phenomenon in youngsters' life today. The trend of using new media 24/7 was a phenomenon seen in the foreign countries, but now this has become a part people in India too. Today, it's rare to see a youngster without a gadget in hand. They are completely involved in using new media in one form or the other. The performance and capability of mobile phones have changed a lot. The use of smart phones among youth in India has increased in a short span of time. The reason for this is the element of interactivity and the varieties of application that it provides for the youth. Some of the smart phone Apps that youth uses today are games, navigation software, e-book readers, services providing news, weather feeds, and other apps that need internet connectivity like Facebook, Viber, YouTube, WhatsApp etc. Out of all these applications, WhatsApp has become more popular among youth. The current study is focused on youth and their utilization of WhatsApp.

WhatsApp started in the year 2009, with the tag line "Simple, Personal, Real time messaging," is a mobile messaging app which allows the users to exchange messages without having to pay for SMS. The WhatsApp messenger was purposely created by Brian Acton and Jan Koum (2009) to make communication and the distribution of multimedia messaging more easily and faster. WhatsApp works with internet connectivity and

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helps its users to stay in touch with friends and relatives in the contact list. Apart from making its users getting connected with each other, it also helps them to create groups, send unlimited images, video and audio messages. Studies have proved that WhatsApp is the most popular instant messenger service used by youth today. Young people who give more importance to friendship, social lives and family relationships make use of WhatsApp in a large scale. The popularity of WhatsApp among youth has brought a huge profit among service providers since it works on internet data plan. The reason why WhatsApp is so popular among youth is because, it allows them to send unlimited texts to their friends and family members without any cost other than their internet data plan that they already uses in their smart phones. The application is so easy to use after downloading. It shows you who all are using WhatsApp in your contacts and also helps to invite their friends who are yet to download and use. Then they can start messaging, sharing audio files, video files, updating status, etc.

Review of Literature

There are many studies done on WhatsApp and youth both in Indian and international scenario. A study entitled "The impact of WhatsApp messenger usage on student's performance in tertiary institutions in Ghana" by Johnson Yeboah and George Dominic Ewur published in the journal of Education & Practice in the year 2014, has concentrated on the negative aspects of WhatsApp. Their study proved that the usage of WhatsApp has impacted negatively on the performance of students in Ghana. They discussed that WhatsApp usage has led to lack of concentration during lectures, consumes much of students study time, distracts students from completing their assignments, and destroys students' spellings and grammatical construction of sentences. Walter and Gary et al. (2012) in their study entitled "Smartphone application usage amongst students at a South African University", assesses the usage of Smartphone applications specifically social networking applications amongst the users in South African University. The study proved that students remain online for 16 hours a day and spends an average of 5 hours per day on their smart phones interacting with others through social networking applications. An article "Indian Youth prefers WhatsApp, Facebook over SMS" published on June 16, 2013, in The Times of India Online newspaper. The article suggests that a survey was conducted by Tata Consultancy Services covering 17,500 high school students across 14 Indian cities. The study revealed that today's youth are collaborating through social networking tools and building virtual communities aided by affordable bandwidth and smart devices. The survey proved that almost 70% of the students possess smart phones and have started utilizing the full potential of smart phones. The article titled "What's app could help Facebook retain youth in countries like India" published online on The Indian Express.com, dated February 21, 2014, talks about the acquisition of WhatsApp by Facebook. The reason they state in the article is increasing number of smart phone users in India and the proliferation of cheaper smart phones and data plans in India. Recent reports suggest that the youth have been moving away from Facebook. WhatsApp, on the other hand, is the fastest growing messaging app. The acquisition is a way of future-proofing growth, especially in a young country like India. Youth in India have started spending more time on messaging apps.

Shravan (2015) studies the WhatsApp usage among the male and female and found that there is significant difference in the usage of WhatsApp amongst male and female individuals. Socio- linguistic theories highlighted that gender did influence the usage of WhatsApp in some cases, but there were a lot of elements like usage style / pattern / preference that showed very little or no difference amongst genders. Gender differences were visible in the area of usage of emoticons, more groups; active time spent during the day; changing profile picture and status often; sharing emotional outbursts on WhatsApp and sending pictures of their shopping (merchandise) to friends and family.



Ravi Kant (2018) explained about the WhatsApp usage of college students. He has conducted his research to investigate the attitude and perception college students in Darbhanga district. 100 students from the B.Ed. course from two teacher's training colleges were chosen to become the respondents of this study Rating Scale was used to rate the statements. The findings of the study reveal that gender wise the perception towards WhatsApp is same. Similarly, age has nothing to play in both attitude and perception of college student.

Rationale

WhatsApp was started for the main purpose of easy and cheap chatting medium. The utility of WhatsApp has grown considerably since then, and so has the intensity of its use especially amongst the youth. The objective is to find the utility of WhatsApp for youth in Indore and its various uses according to the respondent's profile. The study will prompt further discussion about how youth view such applications and its features among themselves.

Objectives

- To map the demographic and media profile of the respondents
- To compare the perception of male and female respondents towards WhatsApp.
- To compare the perception of Under Graduate and Post Graduate respondents towards WhatsApp.

Research Hypotheses

H₀1: There is no significant difference in use of WhatsApp among age groups 16-25 and 26-35.

H₀2: There is no significant difference in use of WhatsApp among male and female.

H₀3: There is no significant difference in use of WhatsApp among single and married people.

H₀4: There is no significant difference in use of WhatsApp among people with Under Graduate and below education level and people with Post Graduate and other education level.

H₀5: There is no significant difference in use of WhatsApp among students and non-students.

Research Methodology

The Study

The study undertaken was exploratory & descriptive in nature and has provided an insight of using WhatsApp by the different age groups.

The Sample

The sample was constituted of 100 respondents. The respondents were selected on a random basis.

Tools for Data Collection

The primary data was collected with the help of structured questionnaire. The drafted structured questionnaire consisted of Demographic profile, Media profile and Perception scale. The questionnaire is divided into two sections. Section A measure the demographic profile of the respondents, consist of 5 items in demographic profile. Section B measure media profile, and has 14 items in media profile. Therefore, there were 19 items in all in demographic and media profile. Section C measures the he perception of the respondents towards "Utility of WhatsApp among youth in Indore" a perception scale was developed by the investigator. There were 25 items in



the perception scale, which were divided in 4 categories: Fact/feature based, Negative effects, Likeability/thought, Positive effect. There were 5 options against each statement. These options were: Strongly Agree, Agree, Undecided, and Disagree & Strongly Disagree. The respondents were asked to read the statements carefully and select the best suitable option. Content/Expert validity was established for the scales.

The Tools for Data Analysis

Coding and Editing

Total 126 questionnaires were distributed, out of which 100 were received. The filled up questionnaires were screened for completeness and the ones in which the responses to all the statements were complete were selected for further processing. After that all the responses were scored and tabulated in MS excel. Different Excel sheets were prepared representing the responses of viewers on each variable. The analysis of collected data was carried out using MS Excel and Statistical Package for Social Science (SPSS 23.0) The data was analyzed with the help of: Frequency Percentage, Chi Square and Independent T-Test.

Reliability

The first phase of data analysis began with establishing the reliability of the scale. To ensure the reliability of the constructs Cronbach's Alpha Test Cronbach (1951) was carried out using SPSS-22. The standardized Cronbach's Alpha was found to be high at 0.813 which is fairly acceptable.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.813	23

Respondents' Profile

- 52% respondents were males and 48% respondents were females.
- 74% respondents were from the age group 16 to 25 years and 26% respondents were from the age group of 26 to 35 years.
- 79% respondents were single and 21% respondents were married.
- 92% respondents were from up to UG and below education level, 8% respondents were PG and other.
- 66% respondents were students 34% respondents were not students.

Respondents Media Profile

- 100% respondents have smartphones.
- 65% prefer social messaging apps, 28% people prefer voice calls, and 4% prefer SMS while the remaining 3% prefer emails.
- 100 respondents 79% use Facebook.
- 100 respondents 100% use WhatsApp.
- Only 7% use we chat.



- 35% use hike messenger.
- Only 2% use line messenger.
- 64% use WhatsApp daily, 28% use it whenever they get time, 7% use it rarely, and 1% use it almost never.
- 65% have used it since more than 2 years, 25% have used it for 1-2 years, and 10% have used it less than a year.
- 40% use WhatsApp for 1-3 hours, 27% use it for less than 1 hour, 16% use it more than 5 hours, 13% use it for 3-5 hours, 4% rarely use it.
- 72% heard about it from WoM, 27% from the internet and 1% from advertisement.
- 34% use it less than 4 times in an hour, 29% use it 5-8 times, 21% more than 16 times, 11% 9-12 times and 5% 13-16 times.
- 73% didn't buy smartphones just to use WhatsApp while the other 27% did.

T-Test Analysis

Comparison of Male and Female Respondents in terms of Overall Perception and its Associated Factors Separately, towards the Utility of WhatsApp.

The objective of the study was to compare the male and female respondents in terms of overall perception and its associated factors separately towards the utility of WhatsApp. The data related to this objective was collected by self-designed perception scale which was validated by sending the questionnaire to the expert for their expert opinion. Once it is finalized then further analysis was done with the help of t- test.

The results are given in the following table:

Table 2: Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean	T test
Fact scale	male	52	8.3462	2.53512	0.35156	2.057*
	female	48	7.3542	2.26434	0.32683	
Likeability factor	male	52	19.8846	5.74509	0.7967	1.916*
	female	48	17.6042	6.16006	0.88913	
Positive impact	male	52	10.4038	3.78987	0.52556	1.219*
	female	48	9.5	3.6085	0.52084	
Negative impact	male	52	21.9038	6.64288	0.9212	1.454*
	female	48	19.8958	7.17039	1.03496	
Total	male	52	60.5385	15.2938	2.12087	1.959*
	female	48	54.3542	16.271	2.34851	

*significant at 0.05 level



The t- value of 1.959 for overall perception towards utility of WhatsApp is not significant at 0.05 levels. It means the male and female respondents do not differ significantly from each other in terms of overall perception towards utility of WhatsApp. Therefore, the null hypothesis, namely, there will be no significant difference between the male group and female group of respondents in terms of overall perception towards utility of WhatsApp is not rejected. Hence, it may be concluded that both the male and female groups of respondents had similar perception towards utility of WhatsApp.

The t- value of 2.057 for fact scale factor of perception towards utility of WhatsApp is significant at 0.05 levels with degree of freedom (df) equals to 98. It means the male and female respondents differ significantly from each other in terms of fact scale/thoughts factor of perception towards utility of WhatsApp. Therefore, the null hypothesis, namely, there will be no significant difference between the male and female respondents in terms of fact scale utility of WhatsApp is rejected. Further, the mean perception score for male group is 8.3462 which are significantly higher than female group 7.3542. Hence, it may be concluded that the male respondents had better perception than the female respondents terms fact scale/thoughts of perception towards utility of WhatsApp.

The t- value of 1.916 for likeability factor perception towards utility of WhatsApp is not significant at 0.05 levels with degree of freedom (DF) equals to 98. It means the male and female respondents do not differ significantly from each other in terms of likeability factor perception towards utility of WhatsApp. Therefore, the null hypothesis, namely, there will be no significant difference between the male group and female group of respondents in terms of likeability factor perception towards utility of WhatsApp is not rejected. Hence, it may be concluded that both the male and female groups of respondents had similar perception towards utility of WhatsApp in terms of likeability factor.

The t- value of 1.219 for positive impact perception towards utility of WhatsApp is not significant at 0.05 levels with degree of freedom (DF) equals to 98. It means the male and female respondents do not differ significantly from each other in terms of positive impact factor perception towards utility of WhatsApp. Therefore, the null hypothesis, namely, there will be no significant difference between the male group and female group of respondents in terms of positive impact factor perception towards utility of WhatsApp is not rejected. Hence, it may be concluded that both the male and female groups of respondents had similar perception towards utility of WhatsApp in terms of positive impact factor.

The t- value of 1.454 for negative impact perception towards utility of WhatsApp is not significant at 0.05 levels with degree of freedom (DF) equals to 98. It means the male and female respondents do not differ significantly from each other in terms of negative impact factor perception towards utility of WhatsApp. Therefore, the null hypothesis, namely, there will be no significant difference between the male group and female group of respondents in terms of negative impact factor perception towards utility of WhatsApp is not rejected. . Hence, it may be concluded that both the male and female groups of respondents had similar perception towards utility of WhatsApp in terms of negative impact factor.

Results and Discussion

Most of the studies were done to find out the impact of WhatsApp on youth and school children's. Ravi Kant in his study reveal that the gender wise the perception of male & female is same. Our result also reveals the same results that male and female perceptions towards the utility of WhatsApp are same.

As far as the fact scale is concerned our study suggest that males are more fact finder and most of the forwards are done after finding out the fact and then only forwards were made. The similar study was found from Shravan (2015)



that males have more groups as compared to the females where they discussed more about the facts, politics and other area of interest.

The second factor Likability shows no significant difference among the male and female, the same result was revealed by Walter & Gary. The youth spends almost 16 hrs in a day on social media and 5 hrs in a day on WhatsApp irrespective of Gender which suggest that both male and female shows similar likability towards WhatsApp.

The other two factors are positive impact and negative impact of WhatsApp Utility respectively. Our result shows that no significant difference in seen among male and female which suggest that male and female consider that WhatsApp shows both positive and negative impact in male and female. The positive impact is seen in terms of sharing knowledge, connectivity and emotions sharing among the youth and the negative impact are seen in terms of writing short cuts, spelling mistakes, wastage of time and distractions. The similar result was also produced by the Anshu Bhatt and Mohd Arsad that this app as both positive and negative impact so the youth should take proper care while using the app.

Media Profile of the Respondents

1. It is evident that out of 100 respondents 52% were male and 48% were female.
2. It is evident that out of 100 respondents 74% were from 16-25 age group and 26% were from 26-35 age group.
3. It is evident that out of 100 respondents 79% were single and 21% were married.
4. It is evident that out of 100 respondents 92% belonged to UG and below group and 8% belonged to PG and other group.
5. It is evident that out of 100 respondents 66% were students and 34% were non-students.
6. It is evident that out of 100 respondents 100% had a Smartphone.
7. It is evident that out of 100 respondents 28% preferred voice calls, 4% preferred sms, 3% preferred emails and 65% preferred social messaging apps.
8. It is evident that out of 100 respondents 79% use Facebook.
9. It is evident that out of 100 respondents 100% use WhatsApp.
10. It is evident that out of 100 respondents 7% use we chat.
11. It is evident that out of 100 respondents 35% use hike.
12. It is evident that out of 100 respondents 2% use line.
13. It is evident that out of 100 respondents 3% use other apps.
14. It is evident that out of 100 respondents 7% rarely use WhatsApp, 1% never use it, 64% daily and 28% whenever they get time.
15. It is evident that out of 100 respondents 10% are using WhatsApp since less than a year, 25% since 1-2 years and 65% since more than 2 years.
16. It is evident that out of 100 respondents 72% heard about WhatsApp from WoM, 27% from internet and 1% from advertisement.
17. It is evident that out of 100 respondents 34% use it less than 4 times an hour, 29% 5-8 times, 11% 9-12 times, 5% 13-16 times, 21% more than 16 times.



18. It is evident that out of 100 respondents 27% purchased smartphone just to use WhatsApp.
19. Both male and female had similar perception towards WhatsApp.
20. Both age groups had similar perception towards WhatsApp.
21. Both single and married people had similar perception about WhatsApp.
22. Both education levels had similar perception about WhatsApp.
23. Both student and non-student had similar perception about WhatsApp.

Implications and Scope of Research

The present study will be helpful for the Data miners to build the strategies on the basis of gender. This research will be useful for WhatsApp organization. Further the research can be explored on women's safety as the research suggest that female spends more time on WhatsApp discussing personal issues and family issues on WhatsApp, more shopping hence further scope of the research would be on women's safety.

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STUDENTS' PERCEPTION TOWARDS ADMISSION IN HIGHER EDUCATION: WITH SPECIAL REFERENCE TO INDORE REGION

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Abstract

Education plays a crucial role in the economic and social up-liftment of a state or a country. Enrollment decision in any academic institution has become increasingly complex and confusing due to mushrooming of colleges / universities in educational hub like Indore. After completing graduation, one of the most crucial decision that students need to make is to decide which professional college/university at the post graduate (PG) level they should opt for? This decision is important as it has an impact on their success in career.

The purpose of this study is to identify the factors that motivate students to take admission at professional PG colleges of Indore region. The sample comprised of 200 students and a self developed, close ended scale (high on reliability and validity scores) was used to understand the perception of the respondents. Findings revealed that four factors i.e. Educational Aspirations, Socio-Economic Factor, Institutional Branding, Placement Records contributes in making decision regarding admission in any professional college.

Keywords : Economic and Social Up-liftment, Educational Hub

Introduction

Indore is a commercial capital of M.P. is considered as the educational hub of central India and many students from various cities of M.P. and nearby, come to Indore for pursuing their higher education. After the notification of HRD Ministry of India (May 2011) for funding the full scholarship SC, ST, OBC and other minority classes (groups) was received, there was mushrooming of professional colleges in Indore.

Various higher learning institutions in Indore started offering variety of courses to attract all kinds of students. Due to burgeoning competition, various academic institutions are enabling students to have unlimited choice of various courses which often includes the intervention of consultants. This makes the situation very chaotic for students and several questions start popping their minds like "Which university is the best? Am I doing the right course? Which university is the best for which their preferred programs?" Lingering questions like these are enough to create confusions to student's mind. So it is very crucial to identify the factors that influence the students' perception in selecting a particular academic institution with reference to Indore city.

Review of Literature

Various researches have been conducted in understanding the affect of economic and sociological factors that examine the choice of college/university. Three conceptual approaches modeling college choice was explained by Somers, Haines, & Keene (2006). These are: (a) Economic Models, (b) Status-Attainment Models, and (c) Combined Models. Economic Models takes into consideration the econometric assumptions that graduated students think rationally and make careful choices evaluating cost-benefit analyses (Hossler, Schmit, & Vesper, 1999). Status-Attainment Models assume that for fulfillment of occupational and educational aspirations, students make use of utilitarian approach and scrutinize various social and individual factors (Jackson, 1982) while deciding a college / university. Lastly, Combined Models is the blend of Economic Models (rational assumptions)

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and Status-Attainment Models (social and individual factors) explains the students' make decision by aspiration development and alternative evaluation; option consideration; and evaluation of the remaining option (Jackson, 1982).

Chapman (1981) suggested that students' perception is influenced by Internal Factors that include students' characteristics like academic competency, socio-economic status, ambition, choice of course etc. On the contrary, when students' perception is influenced by factors like the influence of some eminent personality, friends, parents and teachers; institution's fees or location or the efforts of institute to communicate with prospective students through campus visit, advertisement, they are referred as External Factors. Martin and assumptions) concluded that external factors are more influential than internal factors in students' university choices.

James et al. (1999) identified a range of factors influencing choice of college / university with respect to course: the reputation of the course among employers; graduates' satisfaction from the course; employment rates from the course; the quality of teaching in the course; approaches to teaching, learning and assessment from the course including opportunities for flexible study. Other researchers have found that, the quality, location of the university and the geography of its surroundings are also important to some students for selecting the university (Cullen et al., 2003).

Research revealed that facilities provided by the college / university are considered as a crucial factor that influence students' choice of institutions (Yakhou and Stone, 2005). To some students, cost is more important than quality of education (Steffen and David, 2011). The reputation, program structure and accreditation of the college / university are also sometimes of topmost criteria (Kourik, Maher and Akande, 2011) that influence students' perception. For many students, it is very important to know about the future career prospects and opportunities provided by the college / university (Soutar and Turner, 2002; Srikanthan and Dalrymple, 2003). Many empirical findings support the positive impact of the college / university location in selecting the university (Vaughn, Oatlik and Hansotia, 1978). Other research found marketing of programmes to be an important element in the decision-making process (Hawkins and Frohoff, 2010; Santoro and Chakrabarti, 2002; Tucciarone, 2009). Family and friends influence still play a key influencing role in the university selection (Hawkins and Frohoff, 2010; Yamtim, Wongwanich and Suwanmonkha, 2009).

There can be unlimited reasons why various students choose different higher learning institutions. According to "Choice Theory" explained by Glasser (1998) "Behavior is chosen in a continuing attempt to make life the kind of experience that everyone wants it to be – a "good life". According to "Choice Theory", students involve themselves in various activities to get a success while choice is an iterative concept and multi-factorial dimension that relate with wide range of influences before making any decision (Foskett, 1999).

Ryrie (1981) elucidated choice in the context of institutional, economic and cultural constraints based on individual's perspectives. Students' preconceived notions formed by family background, culture and life history affect while making choice of any academic institution Hemsley-Brown (1999). Another study conducted by Keskinen, Tiuraniemi and Liimola (2008) suggested that the primary focus of potential students are on the institution's reputation and the available courses when they choose universities or colleges. Therefore, these different evaluation methods of various kinds of students are very important, as their demands and needs are also different.



Rationale

Numerous institutes claim to provide professional education, only very few institutions at Indore are actually meeting the benchmark for imparting education of excellent quality which will meet the requirement of the Industry. Actually these institutes are the ones worth joining but due to cut-throat competition followed by aggressive branding and intervention of the consultants by the other mediocre in the academic institutions, it becomes difficult for a student to take the right decision regarding the selection of an institute. However, whichever institution a student decides to choose should be in sync with students' choice as they would be potentially spending the next two years of their journey of aspiration with that institute. Empirical studies regarding this topic in Indore was very limited and studies which are mentioned aforesaid were not in context with Indian scenario.

Due to the limited literature and empirical evidence on the topic, we believe that this study will also be able to provide some useful insights and information on the factors influencing the students' perception in selecting various higher learning institutions. Therefore, this topic has been chosen.

Objectives

- To identify the factors which influence students' perception towards admission in higher education with special reference to Indore region.
- To open new vistas of research to add to the present base of knowledge.

Research Methodology

The Study

The study undertaken was descriptive in nature that has provided insights into factors affecting student's perception towards admission in higher education i.e., professional PG colleges / university with special reference to Indore region. For this empirical research work, 'Survey' method had been chosen to systematically gather information from students.

The Sample:

The present research was conducted on a sample of 200 students and the respondents were selected on the basis of random sampling as data was collected from students various colleges / universities on the random basis.

The Tools

Tools used for Data Collection

After reviewing the relevant literature, concept of students' perception regarding the selection of the college / university was outlined. Initially, 25 statements/items were framed which were envisaged to contribute towards students' perception regarding the selection of the college / university. Thirty judges who were postgraduates from both industry and academics were approached. They were shown the concept of students' perception regarding the selection of the college / university and were requested to mark the statements/items that were in line with the aforesaid mentioned concept. Those statements with frequency of 75 percent and above acceptance by the judges were retained which resulted into final 15 statements. On these statements/items, a measure based on Likert type of scale was administered (Pls refer Annexure-Table 4). The respondents were asked to respond on 'Likert Scale' (Five Point Scale) ranging from "Strongly Disagree" to "Strongly Agree".



Cronbach's Alpha Test (Cronbach, 1951) was applied to check reliability before the questionnaire was administered for the final survey. An Alpha Coefficient (α) of 0.70 is considered to be good reliability estimate of the instrument. In the present study, the Alpha Coefficient Value is found to be 0.894 (Pls Refer Annexure - Table 1)

Tools for Data Analysis

The analysis of collected data was carried out using MS Excel and Statistical Package for social science (SPSS 12.0). The final scale was subjected to principal component method for factor analysis using a varimax rotation

Factor Analysis

Before projecting the responses on principal component method the adequacy of sample and validity of responses were required to be verified. KMO & Bartlett's Test of Sphericity is a measure of sampling adequacy that is recommended to check the case to variable ratio for the analysis being conducted. While the KMO ranges from 0 to 1, the world-over accepted index is over 0.6. In the present study its value is found to be 0.763. Also, the Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of Sphericity must be less than 0.05. In the present study it was found to be less than .05. (Pls Refer Annexure - Table 2)

Factor analysis is primarily used for data reduction and summarization. Instead, the whole set of interdependent relationship among variables are examined, factor analysis facilitates the group of variables (most common with each other) to study and describe variability among observed & correlated variables in terms of potentially lower number of unobserved variable called 'Factors'. The final scale was subjected to principle component method of factor analysis using varimax rotation (Pls Refer Annexure - Table 3).

Results and Discussion

The study was administered on 200 respondents and the scores obtained were subjected to factor analysis and four factors were identified. These are- Educational Aspirations, Socio Economic Factor, Institutional Branding and Placement Records.

- 1. Educational Aspirations :** This was measured by items 8, 10, 13, 7, 9, 3, 11, 2 and 12. These items are "Extra-curricular and Co-curricular activities held in the institution affects my decision of taking admission (Factor Load: 0.810)". "University entrance exam score affects my decision of choosing a college / university(Factor Load: 0.795)". "Result of the students' studying in University / college affects my choice for taking admission in college / University (Factor Load: 0.734)". "Free training of various value added courses affects my choice of taking admission (Factor Load: 0.732)". "Location of the institution affects my decision of taking admission (Factor Load: 0.684)". "Good infrastructure of College / University affects students' decision of taking admission (Factor Load: 0.658)". "Availability of course of my choice affects my decision of taking admission (Factor Load: 0.657)". "Association of experienced faculty members affects the decision of choosing College / University (Factor Load: 0.634)". "Recommendation from consultants helps me in making decision for choosing a College/ University (Factor Load: 0.470)". The total factor load was found to be 6.174.

The factor "Educational Aspirations" is found to have highest factor load which suggests that facilities provided by the college / university like impressive infrastructure, experienced faculty members, transport facilities, wide variety of courses in addition to valued added courses are some of the most



important factors which make institutes of high repute and make them popular than their contemporaries. This study was found to be consistent with the study of Akar (2012) who also suggested that academic reputation and prestige of the universities are the most important factors affecting students' choice of college / university. Similarly, Kurt (2013) reported that attending to desired university is dependent on university entrance exam score as well as location or geography of the Institute. In Indore, most of the colleges / universities are located at the outskirts. If good transport and hostel | facilities are not provided, then this would be inconvenient for the students to opt for that college / university. According to Xu (2011), students from different education and culture background may have different perceptions towards higher education, particularly expectations related to teaching and learning. Students' academic capabilities are also important for getting admission in desired college / university. Student should be capable of scoring high in university entrance exam or any other exams of the same cadre for example CAT or AIEEE.

2. Socio-Economic Factor : This was measured by items 14, 15, and 4. These items are "My economic condition affects the decision of taking admission in College / University (Factor Load: 0.760)". "Attendance criteria affect my choice of taking admission in a College/University (Factor Load: 0.728)". "My friends' experience influences my choice for taking admission in a College / University (Factor Load: 0.568)". The total factor load was found to be 2.056.

In Indore most of the students either belong to small cities of the state or come from nearby places that even do not belong to mediocre SES (Socio-Economic-Status). Even some of these students are competent and desire to take admission in college of high repute but they are financially sound to bear the college / university fees. Another study which is in line with Socio-Economic factor was conducted by Ozcan (2015). He explored that tuition fee and cost, living conditions in the city affects the choice of college / university. Foskett, Maringe, and Roberts (2006) found that students consider more carefully economic factors in times of distress and financial difficulty. Students from low or mediocre SES, needs to take up part time job simultaneously with studies and if attendance is the one of the strict criteria which is generally followed by a college / university of high repute then student could resist to opt for that college / university.

3. Institutional Branding : The items identified are 5 & 6. These items are "Rating on the academic portal affects student's choice for a College / University (Factor Load: 0.787)". Campus visit help me in making decision for choosing a particular College / University (Factor Load: 0.723)". The total factor load was found to be 1.51.

For increasing admissions, most of the colleges / universities of Indore are either participating aggressively in marketing and branding activities in print, electronic and social media and are also organizing campus visits of prospective students, some including consultants. In 2015, Liên, Hòa and Anh found that communicative effort in print and electronic media as well as the webpage (Macro and Eschenfelder, 2010) is important while selecting any PG college / university which is in sync with the aforesaid cited factor.

4. Placement Records : This was measured by item 1. These items are "Past placement records affects my choice of taking admission in a College / University (Factor Load: 0.885)". This factor is although comprising of only one item/statement but has highest load (.885) in comparison to other items / statements. This signifies the importance of this item (Not Highest Load in terms of Factor) for any prospective student who just after completing post graduation will be ready to join Industry. Indore is fortunate to have industrial connects like Pithampur, Polo Ground, Dewas etc. which creates good job



opportunities i.e., campus placements for students of various courses. The colleges / universities have tie ups with these corporate houses which ensure a decent number of placements of passing out batch. This enhances their credibility in market and also fascinates prospective students and further raising admissions to the next level. The same was also pointed out in a study by Foskett, Maringe, and Roberts in 2006. They opined that campus opportunities provided by any college / university make it credible to influence students with good academic capabilities.

Conclusion

This study attempts to understand the perception of the students while selecting an academic institution at post graduation level. Findings revealed that four factors i.e. Educational Aspirations, Socio-Economic Factor, Institutional Branding, Placement Records contributes in making decision regarding admission.

In Indore, almost every college / university aspires to have maximum number of admissions for enhancing their repute and maximizing their profit. The study further suggested that sheer number of admissions is not enough to make aspirant choose any institution rather affiliation/ board, emphasis on regularity, experienced and dedicated faculty members, proper scheduling of classes, hostel facilities, aided supports for specially-abled students, availability of counselors for students time-to-time, etc would also play an imperative role in decision making process with reference to selecting institution for higher education. Implementation of recommendation of present study will not only inculcate conducive environment in academic institutions but will also be able to attract a sustainable share of the market.

Further Scope of Study

This study raises several issues for future research. First, both qualitative and quantitative approaches would appropriately addresses the factors affecting students' perception for making decision regarding choice of a college / university. For example, views of other stakeholders like college / university administration, parents, faculty members etc. were not taken into consideration for this study, otherwise a clearer and bigger picture regarding perception while selecting any academic institution may emerge. As the study was conducted just before COVID-19 pandemic, so it may have different implications after Covid pandemic as many universities / colleges had started offering online courses which could be one the major dimension to be preferred or might influence students to choose those academic institutions that can facilitate blended learning when needed. Post Covid-19 era will be witnessing more digital transformations than ever and will become more resilient to future outbreaks and disruptions in the sectors like education as well.

Finally, the present study was conducted with geographic constraints and hence could present the outcome applicable to the institutions located only in Indore. The research may be replicated in various other states with larger sample size to address this issue. The study picked up post-graduate colleges but the specific mention of any professional course is missing which could give some better insights in domain specific or allied professional courses.

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ANNEXURE

Table 1a : Reliability : Case Processing Summary

		N	%
Cases	Valid	200	200.0
	Excluded ^a	0	.0
	Total	200	200.0

a. Listwise deletion based on all variables in the procedure.

Table 1b : Reliability Statistics

Cronbach's Alpha	N of Items
.894	15

Table 2 : KMO and Bartlett's Test of Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.914
Approx. Chi-Square	4519.332
Bartlett's Test of Sphericity	Df
	780
	Sig.
	.000

Table 3: Rotated Component Matrix
Rotated Component Matrix

	Component			
	1	2	3	4
VAR00008	.810	.323	.014	.105
VAR00010	.795	.173	.138	.111
VAR00013	.734	.215	.068	.275
VAR00007	.732	.270	.265	-.042
VAR00009	.684	.101	.371	-.010
VAR00003	.658	.111	.021	.163
VAR00011	.657	.164	.311	.016
VAR00002	.634	-.059	.398	.334
VAR00012	.470	.458	.051	-.074
VAR00014	.146	.760	.185	.114
VAR00015	.341	.728	-.019	-.181
VAR00004	.083	.568	.434	.425
VAR00005	.075	.444	.787	-.051
VAR00006	.440	-.044	.723	.017
VAR00001	.212	-.026	-.039	.885



Table 4: Scale

S. No.	Statement	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
1	Past placement records influence my choice of taking admission in a College / University.					
2	Association of experienced faculty members affects the decision of choosing College / University.					
3	Good infrastructure of College / University affects students' decision of taking admission.					
4	My friends' experience influences my choice for taking admission in a College / University.					
5	Rating on the academic portal affects student's choice for a College / University.					
6	Campus visit help me in making decision for choosing a particular College / University.					
7	Free training of various values added courses affects my choice of taking admission in.					
8	Extra-curricular and Co-curricular activities held in the institution affects my decision of taking admission.					
9	Location of the institution affects my decision of taking admission.					
10	University / entrance exam scores affects my decision of choosing a College/University.					
11	Availability of course of my choice affects my decision of taking admission.					
12	Recommendation from consultants helps me in making decision for choosing a College/ University.					
13	Result of the students' affects my choice for taking admission in college / University.					
14	My economic condition affects the decision of taking admission in College / University.					
15	Attendance criteria affects my choice of taking admission in a College/University.					



STOCK PRICES OF IT FIRMS: A STUDY ON DIVIDEND DECISION

Pragati Tomar*, Muskan Neema**

Abstract

Stock market is said to be the barometer of an economy and thus its behavior is under constant observation. Stock price refers to the cost of purchasing a security on an exchange. Stock cost relies on numerous elements, for example, procuring per share, profit per share, payout proportion, size of the organization, etc. Information Technology (IT) Industry in India is one of the fastest growing industries. Indian IT industry has built up valuable brand equity for itself in the global markets. Today, Indian IT companies such as Tata Consultancy Services (TCS), Wipro, Infosys Ltd., HCL Technologies, and Tech Mahindra are renowned in the global market for their IT prowess. Shareholders need money as returns on a continuous basis, so some prefer dividend payment while others are interested in subsequent payments and would favor capital gain. Because the company deals with different interests of different shareholders and different dividend policies, companies embrace either immediate positive or negative consequences for the stock prices of the organizations. Consequently, managers are not able to estimate that at what degree the dividend policy will influence the stock prices of the organizations.

So far not much research has been done in IT sector of India specifically for current years. This research is an attempt to analyze the effect of dividend decision on the stock prices of the selected five IT firms for last 10 years.

Keywords : Stock Prices, Dividend, Information Technology Firms, Economy, Shareholders.

Introduction

Stock market is said to be the barometer of an economy and thus its behavior is under constant observation. Stock market is a place where buyer and sellers meet to buy and sell the securities. A company's liquidity in the present market can be determined by the dividend announcements

made by the company. The Dividend choice is one of the vital choices made by the fund director identifying with the payouts to the investors. The payout is the extent of Earning Per Share (EPS) given to the investors as profits. The dividend decision describes what amount of dividend should be paid, when to release dividend in which form, when and how much to retain for future investment.

It helps in estimating the profit dispersed per value share. It shows the gainfulness part of the organization. It additionally sets a benchmark for a significant correlation among various organizations. It also helps in indicating the growth of a firm. At the point when organizations show steady profit narratives, they become progressively alluring to financial specialists. As more financial specialists purchase in to exploit this advantage of stock proprietorship, the stock cost normally increments, consequently strengthening the conviction that the stock is solid. On the off chance that an organization declares a higher-than-ordinary profit, open supposition will in general take off.

Alternately, when an organization that generally delivers profits gives a lower-than-ordinary profit or no profit by any means, it might be deciphered as a sign that the organization has run into some bad luck. Reality could be that the organization's benefits are being utilized for different purposes, for example, extension, obligation installments and so on. Numerous organizations work hard to deliver reliable profits to abstain from

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frightening investors, who may consider it to be profit as hazily premonition. Therefore, this study is an attempt to analyze the effect of dividend decision on the stock prices of IT firms.

Review of Literature

The dividend irrelevance theory proposed the absence of any significant impact of the dividend policy on the value of shares (Miller and Modigliani, 1961). The potential connections between profit strategy and stock value conduct were explored in Indian corporate segment. An example of 500 recorded organizations from BSE was inspected for a long time. The researcher revealed that there was an impact of dividend policy on stock prices of the companies listed in Bombay Stock Exchange (Pani, 2008). Dividend policy had a significant effect on stock market price of the firms in context of both banking and non-banking sector of Nepal (Joshi, 2012).

A study with a sample of 67 Fast Moving Consumer Goods (FMCG) companies, which made a dividend announcement during the period April 2007 to August 2011, was collected. The result indicated that the market reacted positively to dividend announcements. It meant that the dividend policy had an impact on the stock price of Fast Moving Consumer Goods (FMCG) companies (Chavali, and Nusratunnisa, 2013). The effect of dividend payout was more on market price of stocks than retention of earnings. It also revealed that the discoveries over the impact of profit arrangement on advertise value underpins the pertinent hypothesis of profit strategy for example Walter's model and Gordon's model (Hasan, Asaduzzaman, and Karim, 2013).

Impact of profit yield, profit payout proportion, return on value, acquiring per offer and benefit after duty was found on stock costs of the companies listed in stock exchange. Four non-financial segments were selected to conduct the study. This study indicated that profit yield and profit payout proportion which was the two proportions of profit strategy had huge effect on stock prices of the companies (Hunjra, et. al., 2014). From the banking sector, 3 banks were selected. The study suggested that the stock prices of all sample of banking sectors were changed with the change in dividend. Therefore, dividend policy impacted the stock prices of the banks selected by the researchers (Iqbal, et. al., 2014).

Dividend decision has greater impact on stock price volatility (Shawawreh, 2014). The normally deliverable profit caused an upward development in the financial exchange costs, while benefit maintenance by firms brought about a decrease in the estimation of the securities exchange costs. The study showed that dividend decision had an impact on the stock prices of the firms (Sharif et. al. 2015). The impact of the announcement of cash dividends on the stock price returns of the manufacturing companies listed on Bombay Stock Exchange using event study methodology had studied. It was found that AARs is the highest after one day from the announcement day. Further, such returns fall significantly as the market take the information's over the next two days. (Anwar, Singh and Jain, 2017). The effect of two explicit inner variables EPS and DPS on Stock Price was analyzed. The financial data of 9 years of twelve selected public sector banks of India were undertaken. There was a huge effect of EPS and DPS on Stock Price (Chandani, and Ahuja, 2017).

Firms should consider their dividend policy accurately since they have a great power on influencing stock price, because they affect share price by making stocks prices fluctuate i.e. either up or down depending on dividends announced by management hence management should be responsible in declaring dividends (Chelimo and Kiprop, 2017). It was revealed that a rational dividend policy played an important role in attracting reputable investors and contributed a lot in strengthening capital structure of a firm. The examination uncovered that profit arrangements of a firm may have a positive and attractive effect on stock costs of a firm whenever formulated and executed after inside and out investigation of capital structure of the market and profit approaches of various firms (Iftikhar et. al. 2017).



The stock price reactions of top 20 PSU (Public Sector Undertakings) companies were examined. There was a significant difference in the impact of dividend announcements in pre and post announcement period on the stock prices of the selected companies (Joshi, 2017). The dividend policy had a significant impact on market prices of stocks. The impact of dividend policy was observed on market prices of firms stocks of the non-financial sectors of Pakistan during the time-period from 2006 to 2015. A sample of sixty seven non-financial firms listed in KSE was taken. There was a significant negative impact of dividend yield and significant positive impact of dividend payout on stocks market prices (Memon, et. al. 2017).

Objectives

- To study the overall impact of dividend decision on stock prices of selected IT firms.
- To study the impact of Dividend Per Share (DPS) on stock prices of selected IT firms.
- To study the impact of Dividend Payout Ratio (DPR) on stock prices of selected IT firms.
- To study the impact of Earning Retention Ratio (ERR) on stock prices of selected IT firms.

Research Methodology

This study is descriptive and analytical in nature. The sample is taken from top leading 5 IT firms listed in BSE50 and the data of last 10 years has been collected. Time-period from year 2018 to 2008 i.e., 10 years was taken. Independent Variables are Dividend Per Share, Dividend Payout Ratio, Earning Retention Ratio and the dependent variable is Stock Prices of IT firms. This study was based on secondary data. Tools used for Data Analysis was Regression Analysis and SPSS 16.0 Software was used for analyzing the effect of dividend decision on stock prices of the IT firms.

The Variables

The Independent Variables

In this study three independent variables are taken which have a major impact on dividend decision of IT firms. The three variables are as follows:

Dividend Per Share

Dividend Per Share (DPS) is the total amount of dividend attributed to each individual share of a company. On calculation of dividend per share it allows an investor to determine the amount of dividend he or she will receive on a per share basis. The formula of Dividend Per Share is as follows :

$$\text{Dividend Per Share} = \frac{\text{Dividend}}{\text{Number of Shares}}$$

Dividend Payout Ratio

Dividend Payout Ratio (DPR) is the proportion of the aggregate sum of profits paid to the investors in contrast with the total compensation of the organization. It is the percentage of earnings paid to shareholders in terms of dividends. The amount that is not paid to shareholders is retained by the company to pay off debt or to reinvest in major operations of the company.

$$\begin{aligned} \text{Dividend Payout Ratio} &= \frac{\text{Yearly Dividend Per Share}}{\text{Earnings Per share}} \\ &\text{or} \\ \text{Dividend Payout Ratio} &= \frac{\text{Total Dividend for the Period}}{\text{Net Income}} \end{aligned}$$



Earning Retention Ratio

Earning Retention Ratio is the opposite of the Dividend Payout Ratio (DPR), which measures the percentage of earnings paid to shareholders as dividends. Earning Retention Ratio (ERR) is the ratio that measures the amount of earnings retained after dividends have been paid out to the shareholders. The basic idea behind earnings retention ratio is that the more the company retains the faster it has chances of growing as a business.

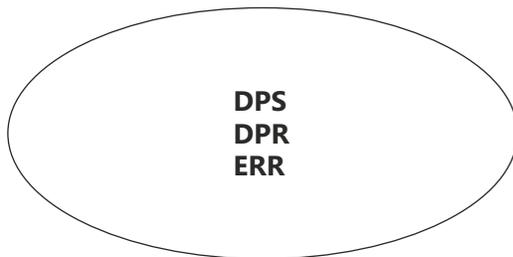
The formula for the retention ratio is :

$$\text{Earning Retention Ratio} = \frac{\text{Net Income} - \text{Dividends Distributed}}{\text{Net Income}}$$

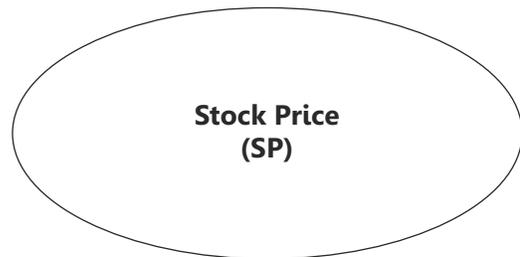
On a per-share basis, the retention ratio can be expressed as:

$$\text{Earning Retention Ratio} = 1 - \frac{\text{Dividend Per Share}}{\text{Earnings Per Share}}$$

Independent Variable



Dependent Variable



Hypotheses

Following hypotheses were formed:

H₀1 = There is no significant impact of DPS on stock prizes of IT firms

H₀2 = There is no significant impact of DPR on stock prizes of IT firms

H₀3 = There is no significant impact of ERR on stock prizes of IT firms

Analysis and Results

H₀1 = There is no significant impact of DPS on stock prizes of IT firms

Table 1: Model Summary^a

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.545a	.297	.282	315.31502

a. Predictors: (Constant), DPS

b. Dependent Variable : SP



Table 2: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sign.
	B	Std. Error	Beta		
1 (Constant)	324.304	66.431		4.882	.000
DPS	10.712	2.381	.545	4.499	.000

a. Dependent Variable: SP

Above result showed that p value was 0.00 hence null hypothesis was rejected at 5% level of significance. This showed that there is significant impact of DPS on stock prizes of IT firms. The result also indicated that there was a positive relationship between DPS and Stock Price (SP) on behalf of beta = 0.545, t = 4.499.

H₀₂ = There is no significant impact of DPR on stock prices of IT firms.

Table 3: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.336a	.113	.094	354.12758

a. Predictors: (Constant), DPR

b. Dependent Variable: SP

Table 4: Coefficients^b

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sign.
	B	Std. Error	Beta		
1 (Constant)	297.446	112.344		2.648	.011
DPR	7.695	3.116	.336	2.470	.017

a. Dependent Variable: SP

Above result showed that p was 0.017 value is hence null hypothesis was rejected at 5% level of significance. This showed that there was a significant impact of DPR on stock prizes of IT firms. The result also indicate that there was a positive relationship between Dividend Payout Ratio and Stock Price on behalf of beta = 0.336, t = 2.470.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.340 ^a	.115	.097	353.61194

a. Predictors: (Constant), DPR

b. Dependent Variable: SP

**Table 6: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t.	Sign.
	B	Std. Error	Beta		
1 (Constant)	1068.277	214.753		4.974	.000
ERR	-7.730	3.090	-.340	-2.502	.016

a. Dependent Variable: SP

Above result showed that p value was 0.016 hence null hypothesis was rejected at 5% level of significance. This showed that there was significant impact of ERR on stock prizes of IT firms. The result also indicated that there was a negative relationship between Earning Retention Ratio and Stock Price on behalf of Beta = -0.340, t = -2.502

After analyzing the results the study showed that there was DPS have an impact on the stock prices of IT firms. While DPR and ERR have an impact on the stock prices of IT firms.

Discussion and Interpretation

Objective 1 : To study the impact of Dividend Per Share (DPS) on stock prices of selected IT firms.

The result of this study also supported the findings of Iftikhar, Raja, and Sehran, (2017) who uncovered that a reasonable profit strategy assumes a significant job in drawing in trustworthy financial specialists and furthermore it contributes in fortifying the capital structure of a firm. The investigation distinguished that profit strategies of a firm may have a positive and alluring effect on stock costs of a firm whenever arranged and actualized top to bottom investigation of the market and profit approaches of various firms carried out.

Objective 2 : To study the impact of Dividend Payout Ratio (DPR) on stock prices of selected IT firms.

The result of this also tally with the findings of Chandani and Ahuja, (2017) who took Dividend Per Share and Earning Per Share as the independent variables and Stock Price as dependent variable. The result showed that there was a positive relationship between the EPS, DPS and Stock Price.

Objective 3 : To study the impact of Earning Retention Ratio (ERR) on stock prices of selected IT firms.

The result of this study is also supported by the study of Sharif, Ali and Jan, (2015) in which the Retention Ratio had an insignificant relationship with Stock Prices whereas Dividend Payout Ratio had a significant positive relationship with Stock Prices.

Conclusion

Stock cost relies on numerous variables, for example, procuring per share, profit per share, payout proportion, size of the firm and so on. The speculators are consistently cautious when buying stock in the organization, as the stock cost is known to vacillate enormously in this particular market. Interest in stocks offers the advantage of liquidity just as the chance to get significant yields. The study examined the effect of dividend decision on stock prices of IT firms of India. The data was collected from top 5 IT firms of India listed in Bombay Stock Exchange related index i.e., BSE50. Three independent variables such as Dividend Payout Ratio, Dividend Per Share and Earning Retention Ratio and one dependent variable i.e., stock price of IT firms was taken. Time period from 2018 to 2009 i.e., 10 years was taken. Regression analysis was used for identifying the impact of



dividend decision on stock prices of IT firms. The study concluded that DPS and DPR had a positive relationship with the stock prices of the IT firms. While ERR had a negative relationship with the stock price of IT firms. Thus IT Companies need to focus on dividend decision as it creates impact on stock prices. Companies should create new strategy and should work on profit earning so that Companies would be able to distribute more and more dividend.

Implications and Suggestions

Implications

The implication of the study is divided into following three factors:

From the Point of View of Investors

As stock market keep on fluctuating on daily basis, investors find it risky to invest in this particular market. The investors those who don't have knowledge regarding where and when to invest. This study will make them aware of whether to invest in IT firms or not and if they want to invest then where they can invest. This study will also help the investors in analyzing the financial performance IT firms in last 10 years.

From the Point of View of IT Firms

This study will help the IT firms to know that which variable should be controlled so that the impact of dividend decision can be minimized on their stock prices.

From the Point of View of the Society

This study will help the IT firms to design the policy in such a way so that it can also contribute to the Corporate Social Responsibility i.e. CSR.

Suggestions

The IT firms should design there dividend policy in such a way that it attracts more investors which will be further beneficial for the IT firms so that the firms can raise more funds. As Earning Retention Ratio has a negative impact on stock price of selected IT firms the firm should work on Earning Retention Ratio.

Limitations

The limitation of this study is that it focuses on the effect of dividend decision on stock prices of only top 5 IT firms in the IT sector. Another limitation is that only data of last 10 years have been taken during the study to see the effect of dividend decision on stock price of IT firms. As in this study only focuses on three independent variables i.e., Dividend Per Share, Dividend Payout Ratio and Earning Retention Ratio, which have major effect on stock prices of IT firms. Other than these variables, there can be other variables which can impact the stock prices of IT firms.

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SECTOR-WISE CONTRIBUTION IN GDP: A SOUTH ASIAN PERSPECTIVE

Sapna Parihar*

Abstract

As the GDP is the barometer of any economy therefore the contributing factors into the GDP are also played crucial role to know the health of the country. The present study tries to identify the sector wise contribution in GDP of selected south Asian countries in the time span of 2009 - 2019. The study also compares the contribution of selected sectors in the GDP for the year 2019. The secondary data has been collected from World Data Bank. Dependent sample t test and one way analysis of variance (ANOVA) have been used for analyses. The results shows that GDP contribution from the agriculture sector has been declined significantly from 2009 to 2019 on the other hand GDP contribution from service sector has been increased. The other two sectors i.e. industry and manufacturing sector do not show any significant change in the GDP contribution of south Asia. In the year 2019 all four sectors' contribution in GDP differs significantly. The major contribution again comes from service sector followed by industry, agriculture and manufacturing sector. As no countries can experience sustainable growth without continuous improvement in agricultural and manufacturing sector therefore there is strong need to make better policies for the improvement in the declining sectors.

Keywords : GDP, South Asia, Agriculture, Service, Economy.

Conceptual Framework

The Economic strength of any economy can be measured by GDP (Gross domestic Product) which is the monetary value of all the manufacturing products as well as services produced within a country's borders in a specific time span. Broadly three different methods for measuring GDP i.e. expenditure, output and income can be adopted. Where the expenditure approach can be defined as the money spend by the various groups and participants of the country and can be estimated by the following expression: $GDP = C + G + I + NX$ where C is equal to all private consumption, or consumer spending, in a nation's economy, G is the

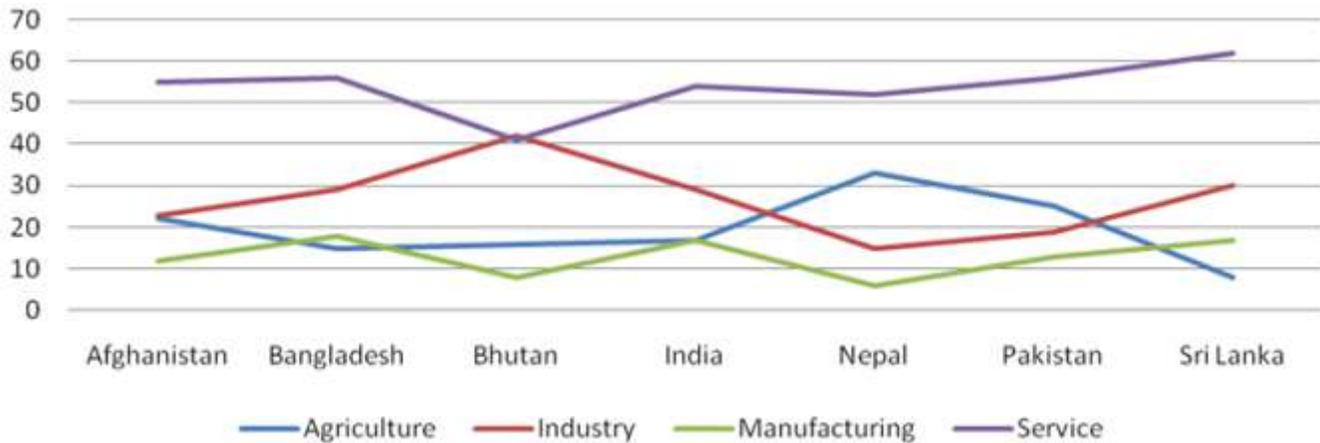
sum of government spending, I is the sum of all the country's investment, including businesses capital expenditures and NX is the nation's total net exports, calculated as $(NX = \text{Total Exports} - \text{Total Imports})$. The second approach i.e. production approach is reverse of the expenditure approach. The third approach of measuring the GDP is Income approach. What is invested by one group is income of the other group. Income received by all the factors of production in the economy including the wages to labor, the rent for land, the return on investment, as well as an entrepreneur's profits. All these include in national income. A country's GDP boosts when the overall value of goods and services that domestic market sell to foreigners exceeds the overall value of foreign goods and services that domestic market buy and decreases in reverse situation. South Asian countries have recognized significant rates of economic growth since the 1980s. India, Pakistan, Bangladesh, and Sri Lanka (SA4) have urbanized more rapidly since 1980 than for any other region except East Asia. Agriculture, Industry, Manufacturing and Service are the key sectors which are considered to be the life line of any economy.

The agriculture sector is the base of any economy and other two sectors i.e. manufacturing and industry largely depend on the agriculture sector. Recent period has witnessed many changes in this sector such as erratic weather conditions, scarcity of land and water and raise in average income of mass in some of the countries further escalated the global food demand. These issues forced to look for the possible options to increase the

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agricultural production. The recent trends shows (Fig.I) that Afganistan, Bangladesh, Bhutan, India and Sri Lanka have lesser contribution in GDP by Agriculture sector but the same sector shows comparatively better contribution in GDP in Nepal and Pakistan economies. The reason may be the better weather conditions and lack of scarcity of land and natural resources. As there is decline in GDP contribution from agricultural sector in South Asian economies therefore there is strong need to identify the reason and possibility to improve the agricultural productivity which ultimately raises the contribution in GDP. Industrial sector is showing highest contribution in GDP in Bhutan’s economy and lowest in Nepal. In other south Asian economies the contribution from industrial sector is not significant. Similarly the manufacturing sector is also not showing significant contribution in the south Asian economies. Service sector has given significant contribution in the south Asian economies except in Bhutan. Service sector is growing sector worldwide due to globalization and liberalization. The increased demand of IT, BPO, Media, finance, tourism sector are playing important role in the service industry domain. Asian economic growth is led by the service sector, which is an overriding component. It has been increasing at a double digit rate over the last two decades. The service sector has strong forward and backward association with the industrial sector. For example, service sector components like hotel and tourism, media, construction, public services, lead to growth in the industrial sector creating strong demand for manufactured products. On the other hand, banking and finance support industries through providing working capital and financial services to these sectors.

Fig: I : Contribution in GDP in 2019



Source: World data bank

Review of Literature

Many studies have been conducted in the similar context. Nair et.al. (2015) studied the impact of FDI, Net FII equity, Net FII debt, Import, Export on GDP Components (Manufacturing, Service, Industry). Study revealed a considerable affect of FDI, Net FII equity and Import on GDP components. But a important affect of Net FII debt on various components of GDP could not be recognized. Also found that service sectors emerged as important sector but manufacturing and industrial export found insignificant. In this study, the impact of different macro economic factors on GDP components had been analyzed but for any future policy in designing the GDP components FDI, Net FII equity, Import, Export should also be taken into consideration but Net FII debt should not be taken.



In another study conducted by Guha and Bari (2000) revealed that various other factors which are responsible for growth in economy such as role of capital accumulation in GDP, higher growth rates of total factor productivity are positively related to the growth. The study also compared the south Asia and East Asia and explored that higher fertility rate in south Asia is one of the obstacles in growth. Some of the factors that have contributed to higher growth in East Asia include schooling, openness, strength of institutions, and government spending but in South Asia have been lagging behind. Restricted trade and banking regimes seem to be positively associated with growth in South Asia. Also, an open foreign investment regime, fewer controls on wages and prices, less regulation and higher black market activity are positively associated with growth.

Collins (2006) observed the prospect of growth of few south Asian economies i.e. India, Pakistan, Bangladesh and Sri Lanka and conclude that both capital accumulation and increased efficiency of factor usage have been important for South Asia's growth. Looking to the Indian scenario the economy gained strong TFP with the modest investment. IT sector has also achieved very impressive growth. The study suggests that sustained increases in the region's growth will require significant increases in the investment rate, as well as efforts to increase labor force participation and increase worker skills through schooling.

Jain (2014) found the vital role of service sector in GDP of India after globalization and realized that IT and IT enabled service is growing in the economy. Apart from IT other service sector such as media and entertainment has also seen tremendous growth. Other sectors such as trading, transportation and communication, financial, real estate and business services, community, social and personal services also come in the same umbrella. Although these sectors require highly skilled, educated and fluent English-speaking workers, on the supply side, matched on the demand side by increased demand from foreign consumers interested in India's service exports, or those looking to outsource their operations. On the counter part share of Agriculture has been decreasing and sharp fall in agriculture sector employment has been observed.

Singh (2010) examined the long-run stability and short-run dynamic association between services segment and GDP and between services and non services sectors in India. The services sector contributes to aggregate output and growth both directly and indirectly through its complementarity with the directly productive non services sector comprising agriculture and industry. The constant development of services sector is essentially crucial to soak up the adverse effects of exogenous weather distresses in agriculture and industry and provide suppleness to the economy.

Apart from the service sector, financial inclusion is also considered to accelerate the economy. The basic idea of financial inclusion is to provide affordable financial services to all sections of society to improve their standard of living. This is an integral part of economic growth as it not only assures financial sector development but also spreads affordable financial services for the betterment of each section of the society. Broadly, it is the process of allocation of the financial services to the weaker section of the society at an affordable cost. Recent study conducted by Lenka (2017) measured the long run and short run relationship between financial inclusion and economic growth in India and found that financial inclusion in the long run as well as in the short run positively influences economic growth in India. The financial inclusion index comprised of credit account as a proportion of 1,000 adults and number of bank employees as a proportion of bank branches. The study also revealed that the service quality of bank employee should also be focused for the financial inclusion along with the credit availability.

Another study by Sankaran (2015) tries to test the Kaldor's hypothesis i.e. intersection between industrial sector and economy in Indian context. Gross National Product (GNP) and Industrial Output (IO) were taken for economy and Industrial sector measures. Granger causality test demonstrates that there exists a one-way causal relationship from GNP to industrial output in the Indian economy therefore, fail to provide evidence supporting

the KEG hypothesis. Findings of the study have important policy implications. Given the fact that the industrial sector is the backbone of the overall economy, it needs to grow consistently. Particularly, the policy makers in India should strive to promote India’s manufacturing exports along with the service sector.

Amutha and Juliet (2017) analyzed the role of service sector in Indian Economy and revealed that services sector has grown at the considerable rate in contrast to other sectors. Growth rate of service sector is found to be higher than growth of overall GDP. Growing share of this sector in GDP over covers the deprived performance of agriculture sector. As a service, sub-sector, trade is dominant all in terms of its input in Indian GDP. The employment proportion in service sector as well as in industry sector is intensifying while in agriculture, it is declining constantly. A huge section of Indian population is still occupied in agriculture sector and the next leading employer is service sector where trade, hotels & restaurants and community, social & personal services are the significant generator of employment. Thus, service sector serves as an engine of growth for Indian economy.

According to IBEF (2016) report, manufacturing sector is vital for the expansion of the economy because the sector may have multiple consequences on other sectors in the economy. The manufacturing sector gets raw materials and services from other sectors in the economy and returns them with finished goods. Therefore stimulating demand for everything from raw materials to intermediate goods. Its area of Influence includes sectors like software, health, and transportation.

The literature review suggests that service sector has played important role in the Asian economy. Most of the studies have been conducted for the East Asia and Southeast Asia where the development in manufacturing sector is very high. Very few studies have been found which shows the picture of underdeveloped economy Pakistan, Bangladesh, Bhutan, Nepal, Afghanistan and Sri Lanka although India has showed considerable growth after the globalization and industrial policy. The present study is an attempt to study the current scenario of above mention economies and sector-wise contribution of Agriculture, Industry, Manufacturing and Service in the GDP.

Fig : II



Map: South Asian Countries



Objectives

- To see the change of sector-wise contribution in GDP from last 10 year by South Asian Region.
- To compare the sector-wise contribution in GDP by South Asian Region.

Rationale

Since 2009 to 2019 there have been number of political, infrastructural, and business environmental changes occurred due to which growth of different sectors and their contribution in the economy may also have changed in this decade. Therefore, the present study is conducted to see whether these revolutions could bring change in the economy of South Asian countries or not. Specific sectors are analyzed for two different time periods which throws light on how a particular sector has changed its contribution in the economy in 2009 to 2019. Also comparison of all four sectors enables to reveal whether contributions are same from all sectors or not in present scenario i.e. 2019.

Method

The research is ex-post facto in nature. Where the secondary data of GDP contribution by various sectors in south Asian countries named Afghanistan, Bhutan, Bangladesh, India, Nepal, Pakistan and Sri-Lanka was taken from world data bank for the year 2009 and 2019. As secondary data may not be always authentic therefore first of all normality has been checked. The normality of the data has been checked through the Skewness. The values of skewness are between -.5 to +.5 (Table 1) hence the data is approximately symmetric or normal.

Table 1: Showing the Descriptive Statistics of Contribution in GDP in 2009 and 2019

	N	Min.	Max.	Mean	Std. Deviation	Skewness	Kurtosis
AgGDP2009	7	12	36	23.4286	8.07996	0.455	-0.172
AgGDP2019	7	8	33	19.4286	8.0593	0.47	0.413
MnGDP2009	7	7	20	15	5.2915	-0.492	-0.95
MnGDP2019	7	6	18	13	4.69042	-0.488	-1.385
lnGDP2009	7	18	37	28.2857	6.21059	-0.267	0.295
lnGDP2019	7	15	42	26.7143	8.80746	0.517	0.597
ScGDP2009	7	40	58	48.4286	6.94879	0.21	-1.426
ScGDP2019	7	41	62	53.7143	6.39568	-0.307	3.221



The first objective is to see whether contribution of selected sectors in GDP has changed in 2009 and 2019 in South Asian Economy, Paired sample t test has been used. Where X is contribution in GDP by a sector, S.E. is standard error and n number of observations.

$$H_0: X(\text{Sector}, 2009) = X(\text{Sector}, 2019)$$

Formulae used

$$\text{Paired sample } t = \{X(\text{Agriculture}, 2009) - X(\text{Agriculture}, 2019)\} / (\text{S.E.}) * \sqrt{n}$$

$$\text{Paired sample } t = \{X(\text{Industry}, 2009) - X(\text{Industry}, 2019)\} / (\text{S.E.}) * \sqrt{n}$$

$$\text{Paired sample } t = \{X(\text{Manufacturing}, 2009) - X(\text{Manufacturing}, 2019)\} / (\text{S.E.}) * \sqrt{n}$$

$$\text{Paired sample } t = \{X(\text{Service}, 2009) - X(\text{Service}, 2019)\} / (\text{S.E.}) * \sqrt{n}$$

The second objective is to compare contribution of all the four sector in South Asian Economy in 2019. One way analysis of variance (ANOVA) has been used to compare the variability among them.

$$H_0: X(\text{Agriculture}, 2019) = X(\text{Industry}, 2019) = X(\text{Manufacturing}, 2019) = X(\text{Services}, 2019)$$

The structure of the data is as follows

Country/Sector	Agriculture	Industry	Manufacturing	Service
Afghanistan,				
Bhutan,				
Bangladesh,				
India,				
Nepal,				
Pakistan				
Sri-Lanka				

Alternate Hypotheses

Ha1 There is significant change in contribution of agriculture sector in GDP in South Asian from 2009 to 2019.

Ha2 There is significant change in contribution of industrial sector in GDP in South Asian from 2009 to 2019.

Ha3 There is significant change in contribution of manufacturing sector in GDP in South Asian from 2009 to 2019.

Ha4 There is significant change in contribution of service sector in GDP in South Asian from 2009 to 2019.

Ha5 There is significance difference in the GDP contribution in the year 2019 from agriculture, industry, manufacturing and service sector in South Asian.

Fig : III
GDP of South Asian Region

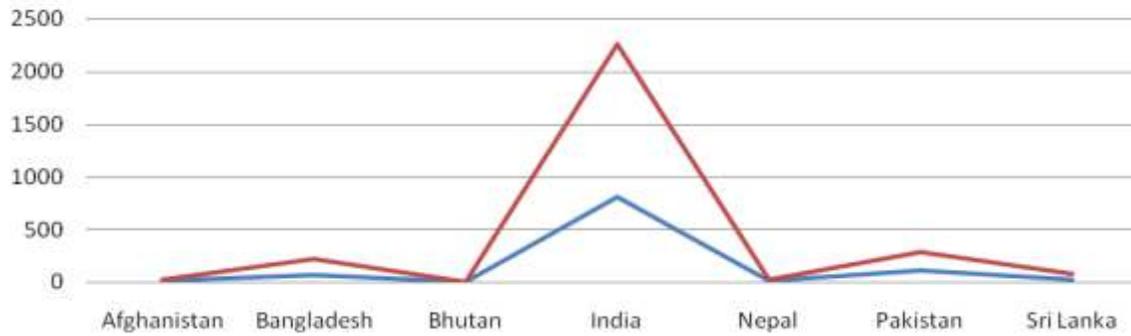


Fig : IV
% of GDP from agriculture in South Asian Region

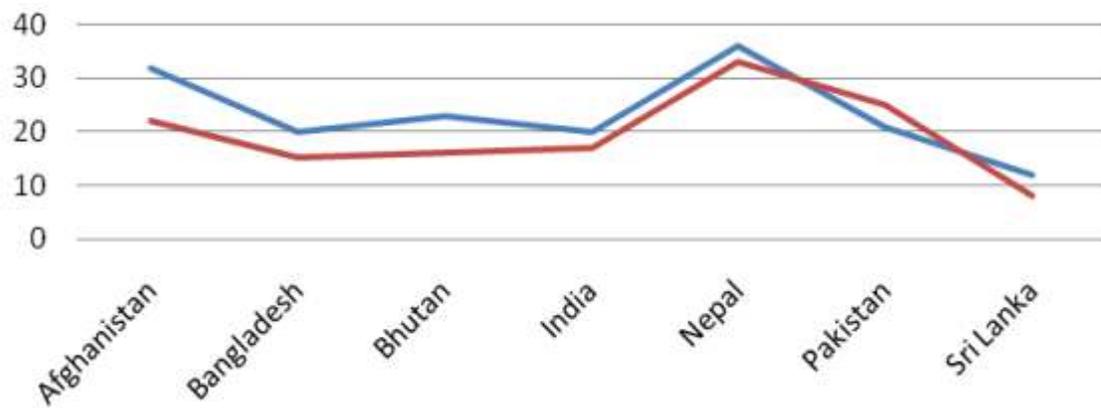


Fig : V
% of GDP from Industry in South Asian Region

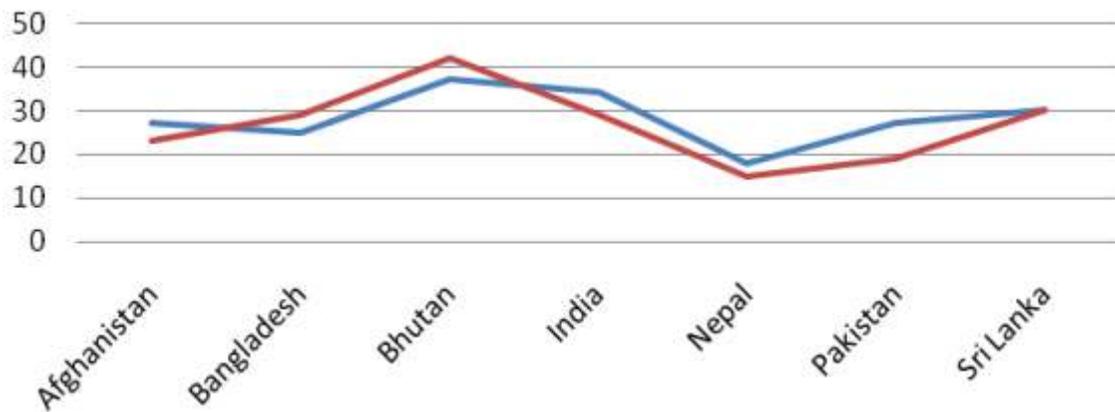
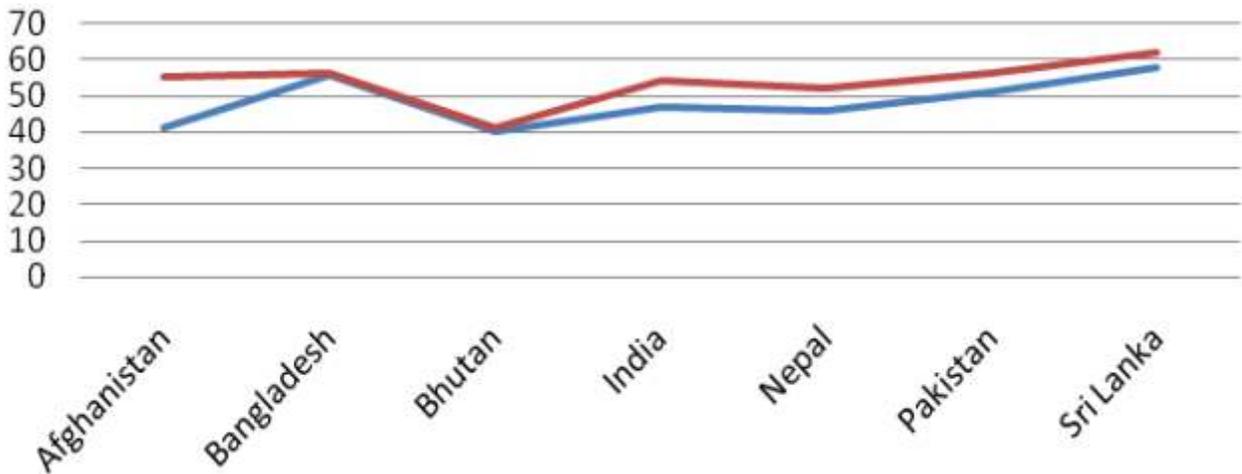


Fig : VI
% of GDP from Service Sector in South Asian Region



Result Analysis

Table 2: Paired Samples Statistics (% of GDP in Agriculture)

Paired Samples Statistics (% of GDP in Agriculture)								
	Mean	N	Std. Deviation	Std. Error Mean	Correlation	Sig.		
AgGDP2009	23.4286	7	8.07996	3.05394	.857	.014*		
AgGDP2019	19.4286	7	8.05930	3.04613				
Paired Samples Test between 2009 and 2019 (% of GDP in Agriculture)								
	Paired Differences				t	df	Sign (2-tailed)	
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower				Upper
AgGDP2009 - AgGDP2019	4.00000	4.32049	1.63299	.00421	7.99579	2.449	6	.050*



Table 3: Paired Samples Statistics (% of GDP in Industry)

Paired Samples Statistics (% of GDP in Industry)						
	Mean	N	Std. Deviation	Std. Error Mean	Correlation	Sig.
InGDP2009	28.2857	7	6.21059	2.34738	.852	.015*
InGDP2019	26.7143	7	8.80746	3.32891		

Paired Samples Test between 2009 and 2019 (% of GDP in Industry)								
	Paired Differences					t	df	Sign (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
InGDP2009 - InGDP2019	1.57143	4.79086	1.81078	-2.85938	6.00224	.868	6	.419

Table 4: Paired Samples Statistics (% of GDP in Manufacturing)

Paired Samples Statistics (% of GDP in Manufacturing)						
	Mean	N	Std. Deviation	Std. Error Mean	Correlation	Sig.
MnGDP2009	15.0000	7	5.29150	2.00000	.833	.020*
MnGDP2019	13.0000	7	4.69042	1.77281		

Paired Samples Test between 2009 and 2019 (% of GDP in Manufacturing)								
	Paired Differences					t	df	Sign (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1MnGDP2009 - MnGDP2019	2.00000	2.94392	1.11270	-.72267	4.72267	1.797	6	.122

Table 5: Paired Samples Statistics (% of GDP in Service)

Paired Samples Statistics (% of GDP in Service)								
	Mean	N	Std. Deviation	Std. Error Mean	Correlation	Sig.		
ScGDP2009	48.4286	7	6.94879	2.62640	.765	.045*		
ScGDP2019	53.7143	7	6.39568	2.41734				
Paired Samples Test between 2009 and 2019 (% of GDP in Service)								
	Paired Differences					t	df	Sign (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1ScGDP2009 - ScGDP2019	-5.28571	4.60848	1.74184	-9.54785	-1.02358	-3.035	6	.023*

Table 6: Showing the Descriptive Statistics of % contribution in GDP of selected Sectors

Showing the Descriptive Statistics of % contribution in GDP of selected Sectors								
% of GDP in 2019	N	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		Minimum	Maximum
					Lower Bound	Upper Bound		
Agriculture	7	19.4286	8.05930	3.04613	11.9750	26.8822	8.00	33.00
Industry	7	26.7143	8.80746	3.32891	18.5687	34.8598	15.00	42.00
Manufacturing	7	13.0000	4.69042	1.77281	8.6621	17.3379	6.00	18.00
Service	7	53.7143	6.39568	2.41734	47.7993	59.6293	41.00	62.00
Total	28	28.2143	17.17094	3.24500	21.5561	34.8725	6.00	62.00



Table 7: ANOVA Showing the Comparisons among the Sectors

ANOVA Showing the Comparisons among the Sectors					
% of GDP in 2019					
	Sum of Squares	df	Mean Square	F	Sign.
Between Groups	6728.143	3	2242.714	43.669	.000*
Within Groups	1232.571	24	51.357		
Total	7960.714	27			

Table 8: Multiple Comparisons among the Sectors

Multiple Comparisons among the Sectors						
% of GDP Turkey HSD						
(I) Sector	(J) Sector	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Agriculture	Industry	-7.28571	3.83060	.254	-17.8528	3.2814
	Manufacturing	6.42857	3.83060	.357	-4.1385	16.9957
	Service	-34.28571*	3.83060	.000*	-44.8528	-23.7186
Industry	Agriculture	7.28571	3.83060	.254	-3.2814	17.8528
	Manufacturing	13.71429*	3.83060	.008*	3.1472	24.2814
	Service	-27.00000*	3.83060	.000*	-37.5671	-16.4329
Manufacturing	Agriculture	-6.42857	3.83060	.357	-16.9957	4.1385
	Industry	-13.71429*	3.83060	.008*	-24.2814	-3.1472
	Service	-40.71429*	3.83060	.000*	-51.2814	-30.1472
Service	Agriculture	34.28571*	3.83060	.000*	23.7186	44.8528
	Industry	27.00000*	3.83060	.000*	16.4329	37.5671
	Manufacturing	40.71429*	3.83060	.000*	30.1472	51.2814

*. The mean difference is significant at the 0.05 level.



Conclusion and Discussions

As the GDP is the barometer of any economy therefore the contributing factors into the GDP are also played crucial role to know the economic health of the country. Agriculture, Industry, Manufacturing and Service sectors are considered as important areas in the economic development. The study concludes that there is significant change in the contribution to GDP from 2009 to 2019 from the agriculture sector in south Asian region. The average contribution from agriculture sector in the year 2009 was more as compared to current scenario in 2019. The one of the reasons may be the urbanization in the south Asian countries especially in India although no country can manage the sustainable growth and development without contribution of agriculture sector. Thus, the health of the agricultural sector is critical for increasing economy-wide productivity, especially in areas with a relative gain in agriculture. Agriculture also serves as a cushion and safety net by providing employment in the face of large economic shocks, such as the financial crisis in 1997 - 1998. The larger challenge of an increasing population and rising economic growth is putting tremendous pressure on both the agriculture sector and the natural resources that are needed to meet the present and future demand for food and nutritional security. Policymakers in South Asia are realizing that the solution to these problems lies in a green economy also more efforts needs to be given to promote primary sectors such as agriculture, dairy, forestry & fishing.

Industrial sector of south Asian countries does not show any significant change in the GDP contribution. Similarly manufacturing sector of south Asian countries also do not show any significant change in the GDP contribution in 2009 and 2019.

But the service sector again shows the significant change in GDP contribution from 2009 to 2019. The GDP contribution from service sector is more in 2019 as compared to 2009. According to statisticstimes.com the overall share of service sector in the Indian economy is 54.40% in financial year 2018-19, out of which trade, hotels, transport, communication and services related to broadcasting had 18.62% and financial, real estate , professional services had 20.96 % share while public administration, defense and other essential services had 14.82 % share in the economy. The demand of these services is increasing day by day in domestic as well as international market. As with the rapid growth of service sector employment opportunities also generate and absorb the working poor in south Asia which remained the implication for next 20 years. Proper policy initiatives should also be taken to export various services such as software, telecommunication, financial and other services. Service sector can also play a critical role by helping to promote the industries.

In recent years, India has emerged as the World's office and China as the World's factory. The policy makers of south Asian economies should strive to promote manufacturing exports along with its services. As envisaged in NMP, the manufacturing sector has the potential to provide employment to 100 million people by 2022. The manufacturing sector may be reformed by promoting growth in labour-intensive industries and MSME. While comparing sector-wise GDP contribution for the 2019, the analysis depicts that all the four sectors differ significantly. The major contribution again comes from service sector followed by industry, agriculture and then manufacturing sector. As no countries can experience sustainable growth without continuous improvement in agricultural and manufacturing sector therefore there is strong need to make better policies for the improvement in the declining sectors. Although some of the countries in south Asia such as Nepal and Pakistan shows considerable contribution in the GDP but again in the other sectors, the performance is not very much appreciable.

Abbreviations

Ag = Agriculture, Mn = Manufacturing, In = Industry, Sc= Service



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AN ANALYSIS OF PERFORMANCE OF SELECTED LARGE CAP MUTUAL FUNDS IN VOLATILE INDIAN CAPITAL MARKET

Abhijeet Chatterjee*, Sandeep Malu**, Shalu Kotwani***

Abstract

One of the important features of Indian economy is its flexibility. Now the investor has many options to invest like, shares, commodity, real estate and so on. Presently in the dynamic financial era, mutual fund is considered as the most suitable option of investment for the layman because, to invest in mutual funds an investor does not need any technical knowledge about the investment. Mutual fund is a financial pool consisting of the money collected from the numerous investors who have common goal towards investment. The main objective of the research is to analyze the performance of selected large cap funds in comparison to BSE SENSEX. For the purpose of the same, the returns of the selected large cap mutual fund from January 2015 to December 2019 have been analyzed and compared with the return of BSE SENSEX. Also an attempt has been made to discover correlation between the returns. The secondary data have been collected from various mutual funds and BSE websites.

Keywords : Mutual Fund, BSE SENSEX, Assets under Management (AUM), Securities and Exchange Board of India (SEBI), Investor

Introduction

Indian capital market can be defined as a place where borrowing and lending of medium and long term funds is done. After independence, the Indian capital market has grown tremendously with the growth of savings and investments. According to the corporate affairs ministry, in 1951 the number of joint stock companies was 28,500 including both public limited and private limited companies, which is increased to 11,89,826 active companies as on June 30, 2018 (www.mca.gov.in).

In 1963, the Government of India established Unit Trust of India and then came the concept of mutual fund in India. Its main purpose was to benefit the ordinary investors by investing small amount of investment in giant Indian capital market. The Securities and Exchange Board of India (SEBI) is behind the standardization of Mutual Funds in India. With the tremendous features like liquidity, reasonable return and minimum risk, UTI absorbed nearly 80% of the market share in 1993 (www.sebi.gov.in).

Mutual fund has played an important role in the process of stabilization of the Indian financial system by providing efficient allocation of financial resources. It has opened new era for the investors and imparted new liquidity to the market. SEBI in its Mutual Funds Regulations 1993 defined mutual fund as a fund formed according to the regulations of SEBI in the form of trust where money is arranged by sale of mutual fund units to the public through various schemes, which is supported by some specified persons named as trustees. Mutual Fund as a financial institution that collects money from small investors and invests the collected money with the motive to earn on it and grow it, and the promise to give its return to the investors (Pathak, 2012).

A mutual fund is one of the financial intermediaries that receive the money in the form of funds from numerous investors having common investment goal. Then the collected amount invested in different financial securities such as equity shares, bonds and various money market instruments (Indian Institute of Banking & Finance, 2010). Mutual fund is pool of money collected from investors by issuing units to them and is invested in marketable securities according to the specific investment objective (Gala and Gala, 2009).

Though mutual fund can be classified on various types but the most common mutual funds classification is

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based on investment objective, investors, management style and Loads. As the area of mutual fund is very large, the present research is concentrating on large cap funds only. Large cap funds can be defined as those funds which invest a larger proportion of their amount in companies with large market capitalization. Large-cap companies have the characteristics of strong goodwill having trustworthy and loyal members. Such companies normally have strong corporate-governance practices and generated wealth for their investors slowly and progressively over a long term. These organizations are among the most highly followed and well-researched on the Indian capital market. Being seasoned players, the underlying companies in the portfolio of large-cap funds may be considered as relatively steady compounders and regular dividend payers. As these large cap funds give slow return with low risk, these are preferable by the risk averse investors.

Review of Literature

Number of investors was rising year by year. The scheme-wise growth was also increasing but there was a negative correlation growth between debt fund and equity fund. Investment in equity fund was increasing more than equity index. Indian mutual fund industry growth rate was higher than Europe and Asian Pacific regions, but it was equal with America and had higher growth rate from 2017 (Akrojuand Raj, 2019). Mutual fund is as one of the safest option for the investors to invest as in mutual fund the investors invests in an intelligent diversified manner. The most important considerations while making an investment decision were return aspect followed by safety, liquidity, and taxability (Saranya, 2018). The Mutual fund sector was the growing sector in India in respect to number of investors as it offered various securities schemes. The big challenge for the mutual fund organizations was to reach the big investors that can be overcome by spreading financial education and awareness to encourage the investors to invest in mutual fund (Bhayani, 2017).

Mostly, mutual fund schemes performed above set target. All the schemes have shown positive returns. The positive Sharpe Ratio concluded that the mutual fund provided more return and less risk (Bhagyashree, 2016). A study about five mutual fund sectors namely finance, FMCG, technology, banking and healthcare during 2008 to 2012, it was concluded that all five sectors gave more return as comparison to SENSEX returns (Gupta, 2015). On application of Sharpe ratio and Treynor ratio to evaluate the performance of selected mutual fund schemes in terms of risk and return, it was concluded that all mutual fund schemes provided better return than BSE Sensex (Parmar, 2014). The performance of specific open ended schemes was evaluated from risk and return perspective, applied rate of return, beta, standard deviation, Sharp Ratio and Treynor Ratio and it was discovered that three schemes performed better than BSE 30 (Dhanda, 2012).

The long run performance of the selected index fund schemes were evaluated and it proved that index funds were just the follower of market. They attempted to capture market sentiments, good as well as bad, and thus performed as the market performed (Inder and Vohra, 2012). The performance of Indian mutual funds using risk-return analysis was judged and it was stated that most of the mutual funds gave positive return during the period of study (Prajapati and Patel, 2012). For the performance of mutual fund schemes of Pakistan during 2005-2009, the schemes were selected based on ranking given by Pakistan Credit Rating Agency (PACRA) and it was proved that equity funds are better investment option than income funds (Gohar, Ahmed and Niazi, 2011). The performance of mutual funds of 113 selected schemes proved that the mutual fund was not able to balance between return and additional risk conceived by the investors while investing in mutual funds (Anand and Murugaiah, 2008). The performance of income schemes was much better than that of growth schemes and manager of the schemes should redesign the investment pattern by identifying the likely phases in the market well in advance and emerging stocks on a continuous basis (Raju and Rao, 2008).

The performance evaluation of 57 sample equity mutual funds from 1999 to 2003 under risk and return analysis showed that schemes on an average performed poorer than the risk free assets (Gupta and Gupta, 2004). Application of risk-return analysis in a bear market to evaluate the performance of 269 open ended mutual fund schemes it was observed that mostly mutual fund schemes performed better than the expectations of investors by providing more return than expected (Sapar and Madava, 2003). On examination of the performance of 73



mutual fund schemes, it was concluded that sample schemes performed poorer than the risk free assets but better than market and out of 73 schemes 54.8 per cent outperformed the relevant benchmark in Sharpe Ratio but this ratio was 36.98 per cent in case of Treynor (Gupta, 2001).

Research Gap

The review of literature showed that several studies were conducted to analyze the performance of mutual fund but further the need is felt to analyze the performance of selected large cap mutual funds after the change in Government i.e., after 2014 and compare the performance with the returns of BSE SENSEX.

Objectives

- To analyze the performance of selected large cap mutual funds.
- To find out the correlation between the returns of BSE SENSEX and returns of selected large cap mutual funds.

Hypotheses

H₀1: There is no significant difference in the performance of selected large cap mutual funds.

H₀2: There is no significant difference in the correlation between the return of BSE Sensex and returns of selected large-cap Mutual Funds.

Research Methodology

Sample Size

Five large-cap mutual funds were selected.

Sample Selection

The top five best large cap mutual funds to invest in 2020

are Axis Bluechip Fund, ICICI Prudential Bluechip Fund, Nippon India Large Cap Fund, HDFC Top 100 Fund and Mira eLargecap Fund, hence, taken as samples. There were five criteria for selecting large cap mutual fund schemes. The first criterion was mean rolling returns; it included rolled daily return of the last three years. The second criterion was consistency of the last three years. In this Hurst index or Hurst Parameter (H) is used for computing the consistency of a fund. The H exponent shows the randomness of NAV series of a fund. Funds with high H exhibits low volatility compared to funds with low H. When $H = 0.5$, the series of return is considered to be a geometric Brownian time series. This type of time series is difficult to forecast. When H is less than 0.5, the series is called as mean reverting. When H is greater than 0.5, the series is held to be persistent. The larger value of H indicates the stronger trend of the series. The third criterion is downside risk where only negative returns given by the mutual fund scheme are taken into consideration. Where,

$X =$ Returns Below Zero

$Y =$ Sum of All Squares of X

$Z = Y /$ Number of Days Taken for Computing the Ratio

Downside Risk = Square Root of Z

The fourth criterion was out-performance, which was calculated by Jensen's Alpha. It was calculated for the last three years. Jensen's Alpha shows the risk-adjusted return generated by a mutual fund scheme relative to the expected market return predicted by the Capital Asset Pricing Model (CAPM). Higher Alpha indicates that the portfolio performance has outstripped the returns predicted by the market.



Where,

Average Returns Generated by the Mutual Fund Scheme = [Risk Free Rate + Beta of the MF Scheme *
{(Average Return of the Index - Risk Free Rate)}

The last fifth criterion was asset size. Here, the eligible asset size was taken at Rs. 50 crores for equity fund (economictimes.com, 2019).

Data Collection

Secondary data were collected from January 2015 to December 2019 from BSE website and the respective Mutual Fund websites.

Data Analysis Tools

Percentage analysis was used to calculate change in return. Correlation was used to predict the relation between the return of BSE SENSEX and the returns of selected large-cap Mutual Funds.

Analysis

Table 1: BSE SENSEX Return

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	27,521.28	26,117.54	-1403.74	-5.10%
2016	26,116.52	26,626.46	+509.94	+1.95%
2017	26,711.15	34,056.83	+7345.68	+27.50%
2018	34,059.99	36,068.33	+2008.34	+5.89%
2019	36,198.13	41,253.74	+15055.61	+41.53%

Table 2: Axis Bluechip Fund

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	19.32	19.07	-0.25	-1.29%
2016	19.14	18.38	-0.76	-3.97%
2017	18.39	25.37	+6.98	+37.95%
2018	25.16	27.03	+1.87	+7.43%
2019	27.09	32.05	+4.96	+18.30%



Table 3: ICICI Prudential Bluechip Fund

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	29.08	29.51	+0.48	+1.65%
2016	29.4	31.87	+2.47	+8.40%
2017	31.91	42.68	+10.77	+33.75%
2018	42.44	42.77	+0.33	+0.77%
2019	42.92	47.26	+4.34	+10.11%

Table 4: Nippon India Large Cap Fund

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	73.9893	70.4071	-3.5822	-4.84%
2016	74.8677	69.4454	-5.4223	-7.24%
2017	73.8065	97.8256	+24.0191	+32.54%
2018	97.5058	95.6789	-1.8269	-1.87%
2019	95.8209	97.7820	+1.9611	+2.04%

Table 5: HDFC Top 100 Fund

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	31.7660	33.267	+1.501	+4.72%
2016	33.403	36.239	+2.836	+8.49%
2017	36.277	50.579	+14.302	+39.42%
2018	50.148	50.691	+0.543	+1.08%
2019	50.804	57.771	+6.967	+13.71%

**Table 6: Mira eLargecap Fund**

YEAR	OPENING As on 1 Jan.	CLOSING As on 31 Dec.	NET CHANGE	% CHANGE
2015	31.7660	33.267	+1.501	+4.72%
2016	33.403	36.239	+2.836	+8.49%
2017	36.277	50.579	+14.302	+39.42%
2018	50.148	50.691	+0.543	+1.08%
2019	50.804	57.771	+6.967	+13.71%

Table 7: Comparative Table

YEAR	BSE SENSEX RETURN	Axis Bluechip Fund	ICICI Prudential Bluechip Fund	Nippon India Large Cap Fund	HDFC Top 100 Fund	Mirae Largecap Fund
2015	-5.10%	-1.29%	+1.65%	-4.84%	-5.59%	+4.72%
2016	+1.95%	-3.97%	+8.40%	-7.24%	+8.59%	+8.49%
2017	+27.50%	+37.95%	+33.75%	+32.54%	+32.79%	+39.42%
2018	+5.89%	+7.43%	+0.77%	-1.87%	+1.54%	+1.08%
2019	+41.53%	+18.30%	+10.11%	+2.04%	+7.65%	+13.71%

Pearson Correlation

>cor (SENSEX,Axis)

[1] 0.7551611

>cor(SENSEX,ICICI)

[1] 0.5504738

>cor(SENSEX,Nippon)

[1] 0.5411265

>cor(SENSEX,HDFC)

[1] 0.56514

>cor(SENSEX,Mirae)

[1] 0.5891827



Spearman Correlation

>cor(SENSEX,Axis)

[1] 0.8

>cor(SENSEX,ICICI)

[1] 0.6

>cor(SENSEX,Nippon)

[1] 0.8

>cor(SENSEX,HDFC)

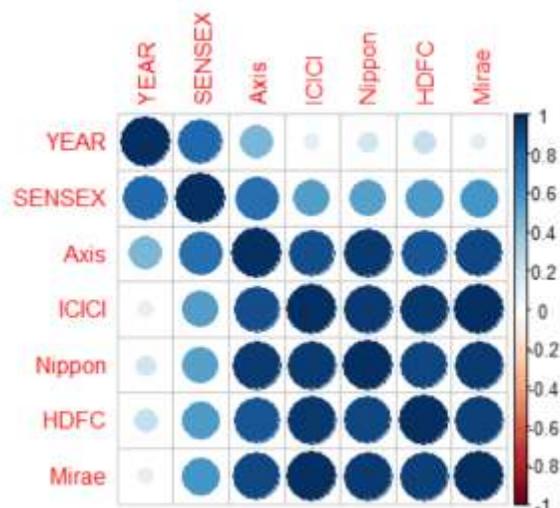
[1] 0.5

>cor(SENSEX,Mirae)

[1] 0.6

Table 7: Comparative Table

	BSE SENSEX RETURN	Axis Bluechip Fund	ICICI Prudential Bluechip Fund	Nippon India Large Cap Fund	HDFC Top 100 Fund	Mirae Largecap Fund
BSE SENSEX RETURN	1.0000000	0.7551611	0.5504738	0.5411265	0.5651400	0.5891827
Axis Bluechip Fund	0.7551611	1.0000000	0.8825794	0.9501344	0.8535587	0.9019922
ICICI Prudential Bluechip Fund	.5504738	0.8825794	1.0000000	0.9547446	0.9684768	0.9937110
Nippon India Large Cap Fund	0.5411265	0.9501344	0.9547446	1.0000000	0.9114249	0.9580628
HDFC Top 100 Fund	0.5651400	0.8535587	0.9684768	0.9114249	1.0000000	0.9398357
Mirae Largecap Fund	0.5891827	0.9019922	0.9937110	0.9580628	0.9398357	1.0000000





Results and Discussions

The two Hypothesis H_01 and H_02 were made to achieve the objectives of the research.

H_01 : There is no significant difference in the performance of selected large cap mutual funds.

The above Hypothesis was accepted as the percentage analysis revealed that in 2015, the BSE SENSEX and return was decreased by 5.10% while the highest return was given by Mirraelargecap Fund. In 2016 and 2017, the BSE SENSEX return was increased by 1.95% and 27.50% respectively and the outperformed mutual fund was Mirraelargecap Fund with an increase of 8.49% and 39.42%. In 2018 and 2019 also the BSE SENSEX return was increased by 5.89% and 41.53% respectively but the best performed mutual fund was Axis Bluechip Mutual Fund with an increase of 7.43% and 18.30% respectively.

H_02 : There is no significant difference in the correlation between the return of BSE Sensex and returns of selected large-cap Mutual Funds.

The above Hypothesis was accepted as the correlation test applied showed that the BSE SENSEX return was highly correlated with the return given by the Axis Bluechip Mutual Fund with the 0.7551611. Whereas the value 0.5411265 showed the lowest correlation between BSE SENSEX return and Nippon India Large Cap Fund.

Conclusions

The first objective was achieved by applying percentage analysis which showed that all five selected large cap mutual funds are performing better when BSE SENSEX is performing better. The second objective was also achieved by applying correlation test. The purpose of this research was to analyze the level of correlation between the return of BSE SENSEX and selected large-cap mutual funds. As far as the percentage analysis was concerned, BSE SENSEX return showed gradual increase from 1.95% in 2016 to 41.53% in 2019, while the return of large-cap mutual fund was fluctuating. The correlation test showed that there was a high correlation between BSE SENSEX return and selected large-cap mutual fund. The return of the funds showed positive results i.e., higher returns with higher risks.

Suggestions

The return on investment is truly depend on the various factors like prudence of investors, amount invested, time horizon, economic conditions and so on. In order to get good returns on the investment, an investor is required to invest for a fairly long period of time and the investment should be done after due analysis.

Limitations

The research is completely based on the secondary data collected from BSE and Mutual Fund websites. As the data was collected of five years only, it might not represent true performance of selected funds.

Future Scope

The same study can also be applied on various other large-cap mutual funds and the study can also be conducted on other types of mutual funds viz. Mid-cap and Small-cap mutual funds.

Benefits to the Society

The study will help the investors at large to understand the concept of safest investment avenue i.e. mutual fund and will also be able to identify the best large cap mutual fund for getting the good returns on the investment.



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BOOK REVIEW

WHO WILL CRY WHEN YOU DIE?

Life Lessons from the Monk Who Sold His Ferrari.

By Robin Sharma, JAICO Publishing House, Mumbai, Pages 225,
Price Rs. 175, ISBN-10: 81-7992-232-4

WHO WILL CRY WHEN YOU DIE is a book written by Indian born writer Robin Sharma. This book was first published in 1999 by JAICO publications. The title of the book perfectly suits the message conveyed in the book. Robin had clearly articulated in his book, the 101 life Principles and he divided this into 220 pages with 101 short chapters in which he briefly explained how person can become successful in personal and professional life.

Robin has described how people are losing precious time in busy schedule of daily works. He insists on to live life in such a way that when one dies the world cries while the soul rejoices. He adds that one should love life and manage it effectively, so that precious moments can be utilized optimally. Author draws his reader's attention towards developing the personal attributes in which he insists to make journal of life on a daily basis. He points out to fix out worry time, as in those hours mind is involved in worrying about problems and not in finding out the solutions of those.

In next chapters, author takes the readers mind towards nature. He gave the formula to connect human mind with beautiful nature. These formulae includes planting trees, find a peaceful place and try to spend some time in that place and capture the natural beauty in photographs. These activities help to connect oneself with nature and environment and boost up the positivity in life.

Further, author writes about human habits in life. In this section, he conveys that one should not criticize others for their mistakes and weaknesses; in fact one should understand others and try to forgive them which results in inner peace to mind and soul. Author conveys that past should always be honored, considering the troubles that gave life lessons to overcome from mistakes and difficult times.

The author emphasizes over common problems of individuals, that a person always think about other's perceptions on one's action. Instead thinking about world's reaction, one should think how I can work more for my own betterment. Robin discussed about some common effective and productive habits for time management such as waking up early in the morning, regular exercise and meditation in daily routine, reading and writing habits.

Further, author accentuates importance of family in life. He insists readers to spend some time with family which will be helpful to increase value in personal life. One, who has the ability of speaking politely and behave patiently, can win everyone's heart easily. The author mentions the importance of communication skills and wise usage of the same to develop cordial relations in life.

The book concludes with the life principle that one should live life to the fullest, with positive attitude and cherish every moment of life journey.

Conclusion

The book covers almost every chapter of common person's life. Getting the entire lesson in practical life is quite difficult but with the help of practice one can adopt all the principles in one's life and take better decision in life. Overall, the learning from book to readers is one should design his life on his own and learn from the mistakes.

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