

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

[Ulrich's Periodicals Directory ©, ProQuest, U.S.A.](#), [EBSCO Publishing, U.S.A.](#), [Cabell's Directories of Publishing Opportunities, U.S.A.](#), [Google Scholar](#),

[Open J-Gate, India](#) [link of the same is duly available at [Inflibnet of University Grants Commission \(U.G.C.\)](#)],

[The American Economic Association's electronic bibliography, EconLit, U.S.A.](#),

[Index Copernicus Publishers Panel, Poland](#) with [IC Value of 5.09](#) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than **5000 Cities** in **187 countries/territories** are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	CUSTOMER PREFERENCE TOWARDS INTERNET BANKING AND THEIR LEVELS OF SATISFACTION: A STUDY AT PUNE <i>BAHAREH SHEIKHI & DR. AISHA M SHERIFF</i>	1
2.	DETERMINANTS OF GROWTH AND CHALLENGES IN HOTEL INDUSTRY: A STUDY OF BUDGET AND LUXURY SEGMENTS OF HOTEL BUSINESS IN INDIA <i>KULDEEP KUMAR</i>	6
3.	A COMPARATIVE ANALYSIS OF THE EFFECTIVENESS OF CASH MANAGEMENT PRACTICES BETWEEN COOPERATIVE AND PRIVATE MILK PROCESSING PLANTS <i>RAVINDRA B. GAWALI & DR. PURANDAR D. NARE</i>	11
4.	CONTENT ANALYSIS OF CHILDREN BASED FOOD AND BEVERAGES ADVERTISEMENTS <i>POOJA SEHGAL TABECK & SONALI P. BANERJEE</i>	14
5.	REVIEWING THE COMPONENTS OF WORKING CAPITAL: A STUDY ON SELECTED INDIAN CEMENT INDUSTRIES <i>RANAPRATAP PAL</i>	21
6.	WHERE YOUR MONEY IS GOING? MENTAL ACCOUNTING AN EMPIRICAL APPROACH <i>MANGAL CHHERING</i>	26
7.	FACTORS AFFECTING THE DEVELOPMENT OF INTERNATIONAL ACCOUNTING <i>SIDHARTHA SHARMA</i>	29
8.	E-BANKING AND E-CRM INITIATIVES: A CASE STUDY OF PUNJAB & SIND BANK <i>DEEPSHIKHA SHARMA</i>	32
9.	PERFORMANCE EVALUATION OF SELECTED EQUITY MUTUAL FUND SCHEMES <i>DR. V. KANNAN & I.SHEEBA FATHIMA</i>	36
10.	WORKING CAPITAL MANAGEMENT AS A FINANCIAL STRATEGY TO IMPROVE PROFITABILITY AND GROWTH OF MICRO AND SMALL-SCALE ENTERPRISES (MSEs) OPERATING IN THE CENTRAL REGION OF GHANA <i>BEN EBO ATTOM</i>	42
11.	A STUDY ON CUSTOMER DELIGHT IN INDIAN BANKING SECTOR <i>LOURDU MARY. Y.</i>	51
12.	A STUDY ON THE BEST RECOMMENDATIONS FOR WOMEN EMPOWERMENT THROUGH SELF HELP GROUPS <i>DR. RASHMI RANI AGNIHOTRI H.R & MAHESH URUKUNDAPPA</i>	53
13.	POVERTY IN INDIA: A CONTROVERSIAL APPROACH AND METHODOLOGY OF EXPERT GROUPS <i>NISHA, DEEPIKA, RATISH KUMAR & LEKH RAJ</i>	56
14.	CONSUMER BEHAVIOR AND SATISFACTION IN E-COMMERCE: A COMPARATIVE STUDY BASED ON ONLINE SHOPPING OF SOME ELECTRONIC GADGETS <i>MANISH KUMAR</i>	62
15.	TRADE BALANCE OF SERVICES PER CAPITA IN APEC REGION, 2005-2014 <i>ANTONIO FAVILA TELLO</i>	67
16.	SOCIO-ECONOMIC PROFILE AND EMPOWERMENT AMONG AGROPRENEURS IN KANNUR DISTRICT <i>PRIYARAJ. P.M</i>	73
17.	PUBLIC INVESTMENT ON MAJOR AND MEDIUM IRRIGATION AND ITS REALIZATION <i>AMIT KUMAR</i>	80
18.	AN ECONOMIC ANALYSIS OF STREET FOOD VENDORS WITH SPECIAL REFERENCE TO DURGIGUDI STREET, SHIVAMOGGA CITY <i>SHARATH.A.M</i>	84
19.	INCLUSIVE GROWTH WITH INDIAN SCENARIO <i>MOHD. AFFAN ANSARI</i>	90
20.	FINANCIAL INCLUSION: PMJDY <i>CH. V. RAMA KRISHNA RAO, VENKATA RAKESH DIVVELA & PRAVALLIKA VURA</i>	93
	REQUEST FOR FEEDBACK & DISCLAIMER	96

CHIEF PATRON

PROF. K. K. AGGARWAL

Chairman, Malaviya National Institute of Technology, Jaipur
(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)
Chancellor, K. R. Mangalam University, Gurgaon
Chancellor, Lingaya's University, Faridabad
Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

FOUNDER PATRON

LATE SH. RAM BHAJAN AGGARWAL

Former State Minister for Home & Tourism, Government of Haryana
Former Vice-President, Dadri Education Society, Charkhi Dadri
Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

FORMER CO-ORDINATOR

DR. S. GARG

Faculty, Shree Ram Institute of Business & Management, Urjani

ADVISORS

PROF. M. S. SENAM RAJU

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR

PROF. R. K. SHARMA

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR

DR. BHAVET

Faculty, Shree Ram Institute of Engineering & Technology, Urjani

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SANJIV MITTAL

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

PROF. ANIL K. SAINI

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P. J. L. N. Government College, Faridabad

DR. SHIVAKUMAR DEENE

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

ASSOCIATE EDITORS

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. ABHAY BANSAL

Head, Department of I.T., Amity School of Engineering & Technology, Amity University, Noida

PROF. V. SELVAM

SSL, VIT University, Vellore

PROF. N. SUNDARAM

VIT University, Vellore

DR. PARDEEP AHLAWAT

Associate Professor, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

DR. S. TABASSUM SULTANA

Associate Professor, Department of Business Management, Matrusri Institute of P.G. Studies, Hyderabad

DR. JASVEEN KAUR

Asst. Professor, University Business School, Guru Nanak Dev University, Amritsar

FORMER TECHNICAL ADVISOR

AMITA

Faculty, Government M. S., Mohali

FINANCIAL ADVISORS

DICKIN GOYAL

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR

IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled ' _____ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR :

Designation/Post* :

Institution/College/University with full address & Pin Code :

Residential address with Pin Code :

Mobile Number (s) with country ISD code :

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No) :

Landline Number (s) with country ISD code :

E-mail Address :

Alternate E-mail Address :

Nationality :

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation etc. **The qualification of author is not acceptable for the purpose.**

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

<http://ijrcm.org.in/>

NOTES:

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. ***pdf. version is liable to be rejected without any consideration.***
 - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**
New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
 - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
 - d) The total size of the file containing the manuscript is expected to be below **1000 KB**.
 - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
 - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
 - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised**.
 3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
 4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
 5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. **Abbreviations must be mentioned in full**.
 6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
 7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aea-web.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
 8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. **It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
 9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
 10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
 11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:**INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parenthesis.
 - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

FACTORS AFFECTING THE DEVELOPMENT OF INTERNATIONAL ACCOUNTING

SIDHARTHA SHARMA
ASST. PROFESSOR
DEPARTMENT OF CBM
D.A.V UNIVERSITY
JALANDHAR

ABSTRACT

In today's scenario accounting is not only a systematic process of recording and reporting of financial information, if we think so then it will be a wrong notion. With the drastic reforms in international markets, emergence of large number of MNC's, expansion of Accounting bodies and various other environmental factors. Most accountants and financial executives at international level are realizing the diversity and complexities in accounting policies, practices and procedures. This paper broadly examines the important factors which has a huge impact on the development of international accounting.

KEYWORDS

accounting, diversity, environmental factors.

INTRODUCTION

A nation's accounting policies, practices and procedures is affected by a variety of economic, socio – cultural, political, legal and many other environmental factors, so it is highly unlikely for the influential factors of any two countries to be exactly the same. Nation's accounting principles and practices are the product of complex interaction of above environmental factors. It is unlikely that mix is identical in any two countries or more and therefore diversity is to be expected at global level. In other words, Accounting is influenced by various environmental variables, but at the same time, it is one of the factors affecting on this same environment. This is a fact that points to the interdependency of accounting and its environment.

REVIEW OF LITERATURE

FREDERICK D. S CHOI (1991) concluded that investors and participants in the international capital market perceive accounting diversity as a major problem that affects the capital market decisions. The paper concluded the two main factors Firstly; differences in the accounting practices may affect the security valuation and the composition of international portfolios. Secondly, this paper described as effective ways of tidying over accounting diversity and its impact on international capital markets.

PETER JOOD & MARK LANG (1994) investigated the diversity in the accounting practices of France, Germany and United Kingdom. This paper concluded the various factors. Firstly, the paper has explored the significant differences between ratio analysis and financial market valuation. Secondly, it also provides preliminary evidence on the effects of the (EU) European Union directives on accounting measurement differences.

SUSANA & JOSE A LAINEZ (2000) explored out that existence of diversity in accounting principles and accounting system has significant consequences for the interpretation of financial reporting in global arena and, therefore, for the decisions which may be taken on the basis of the interpretation drawn from an analysis of such accounting information. The paper concluded the two main factors. Firstly, accounting diversity can be considered as a prime obstacle for the international comparability of financial reporting. Secondly, the paper has found the important differences in the situation of companies i.e. liquidity, solvency and profitability etc under different accounting principles

HASSAN R. HASSABELNABY, RUTH W. EPPS AND AMAL A. SAID (2003) found that the impact of environmental variables on the development of accounting. Four environmental variables are used to explain the variation observed over time in accounting diversity and development. These factors were the economic environment, the political environment, the development of the stock market, and privatization of state owned corporations. The paper concluded the two main factors. Firstly, the impact of the environmental variables on accounting development changes over time reflecting the different stages of democracy and economic reform. Secondly, it provides international investors and researchers with an in depth understanding of the dominating environmental variables that affect accounting in global arena.

LOANA MARIA DRAGU (2010) found that the global accounting conceptual framework and standards still continue to represent a mission for international accounting bodies like (IASB) international accounting standard board and (FASB) financial accounting standard board, being far from the stage of practical implementation. Both accounting bodies are witnessing the diversity and complexities in relation to accounting system in global arena. Thus, harmonizing both national and international accounting regulations is necessary so that it would be in accordance with companies' interest.

ADELA DEACONU & ANUTA BUIGA (2011) witnessed the diversity between accounting systems of Continental-European type and Anglo-Saxon type respectively. The paper concluded the two main factors. Firstly, the paper examines the relevance of the criterion in the historic context. Secondly, it studies the whole framework comprising economical, social, legal and political variables and their impact on accounting diversity.

JOEL BRANSON & MUIZ JAMIL (2011) observed that the main factors for diversity in accounting practices, policies and procedures and to better understand how accounting differences have a huge impact on accounting harmonization. The paper concluded the two main factors. Firstly, it strengthens the awareness of the existence of the causes for accounting diversity. It is important to understand the current complexities and difficulties of the drive towards international accounting harmonization. Secondly, the in-depth analysis of the environmental variables that are considered most influential in causing accounting diversity.

OBJECTIVE OF THE STUDY

The present paper is concerned with fulfilling the objective of studying various factors that affects the development and growth of international accounting.

RESEARCH METHODOLOGY

This paper is totally based upon empirical studies and data. The data used in the study is primary as well as secondary. Primary data has been collected on the basis of personal interactions with experts, academicians and the learned persons. On the contrary, secondary data is collected by reviewing various authentic research papers from online databases of peer reviewed, journals, official websites, books, professional magazines and newspapers.

DISCUSSIONS

Research literature reveals the following factors that impact accounting diversity at national level as well as which are likely to shape accounting diversity in global arena.

- **IMPACT OF ECONOMIC FACTOR**

The level of economic development of the country is likely to influence the type of business entities or groups exist in a country. Developed countries like US and UK are more featured by large and complex organizations in comparison to developing countries like India, Pakistan and Sri Lanka. Financial recording and reporting practices will be more sound and complex in developed countries due to the presence of hefty number of multinational corporations.

- **IMPACT OF POLITICAL FACTOR**

The political environment and system prevailing in a particular country will have a greater impact on the accounting principles and practices. The way a country is politically governed can have considerable influence on accounting system. The relevance of political system can also see in many countries that are effectively run by dictators. Countries like France and Netherlands still follow accounting system given by their colonial rulers. Likewise, countries like India, NZ, Australia and Hong Kong has adopted the accounting system of Britishers.

- **IMPACT OF SOCIO CULTURAL FACTOR**

A major source of influence on accounting practices and procedures is socio-culture factor. Factors like secrecy v/s transparency, optimism v/s pessimism and uniformity v/s flexibility etc have a huge impact on the measurement of financial items as well as financial disclosure practices. Developed countries like US and UK are more transparent, optimistic and flexible than Japan, Germany, India and China etc when it comes to disclosure of financial records.

- **IMPACT OF LEGAL FACTOR**

Legal environment is one of the most dominating factor for diversity in accounting practices in global arena. Different countries have their own legal structure and systems. Some countries are nationalistic and other are rationalistic. In other words, some countries possess strict legal system and other countries possess adaptive legal system. Countries like France and Germany follows code law which is more legalistic, detailed, prescriptive, procedural and nationalistic. On the contrary, countries like US, UK and NZ and Australia follows common law which is more flexible, adaptive and innovative in comparison to code law.

- **IMPACT OF INTERNATIONAL MARKETS**

The elements of capital market have an impact on accounting practices and procedures. Difference in financial system, emergence of new and innovative financial securities and impact of GAAR etc factors leads to diversity in accounting practices and procedures. In debt oriented countries like Germany, Japan and Switzerland, financial reporting tends to be more Spartan against equity oriented countries like US, UK and Canada. The level of globalization of capital market or listing of securities at international level impacts financial recording and reporting practices to huge extent.

- **IMPACT OF MNC'S**

Developed countries tend to have capitalistic economy as well as possess large and complex organizations, where accounting problems are far more complex and detrimental than those of small organizations in developing and underdeveloped countries. In countries like US and UK, organizations are relatively large, complex and owned by large number of employees against developing countries like India, Pakistan and Sri Lanka. The extent of accounting principles and practices is likely to be maximum and complex in developed countries.

- **IMPACT OF INFLATION**

An economy's level of inflation can also be perceived as a influencing factor in the context of diversity in accounting practices, policies and procedures, because it has a direct impact on the asset valuation method and because, in conditions of high inflation, it is essential to have an accounting system in line with the inflationary conditions of a particular country. Countries like US and UK are familiar with historical cost model when it comes to their accounting practices. On the contrary, countries like Bolivia and Mexico do not have luxury of persisting with the practice of historical cost model. They use inflation adjusted models of financial reporting to provide more decision relevant information in context to their economies.

- **IMPACT OF AUTONOMOUS BODIES**

Number of accounting professional bodies has a direct link with the quality of accounting practices, policies and procedures that prevails in a particular country. The designing and standard of accounting system in a country is primarily depends upon the quality of professional bodies. Independent accounting professional bodies like (AASB) Australian accounting standard board, (AARF) Australian accounting research foundation, (ICAA) Institute of chartered accountants in Australia etc has a huge impact on Australian accounting principles and practices. At global level, (IASB) international accounting standard board and (FASB) financial accounting standard board are providing conceptual framework to satisfy the needs and nature of diverse groups of accounting users at global level which facilitate the harmonization and universality of information at global level.

- **IMPACT OF CONCEPTUAL FRAMEWORK**

Conceptual framework provides a logical and consistent guide to accounting standards that prevails in a particular country. While a conceptual framework does not have a compulsory status in every country, still it provides a reference point for developing and adopting accounting standards. Countries like US, UK, Canada and Australia etc have invented their own version of conceptual framework in accordance with their own environmental variables. On the contrary, developing countries like India, Pakistan, Sri Lanka have a habit to follow conceptual framework of other countries.

- **IMPACT OF LEVEL OF EXECUTION**

There is a vast difference between the accounting rules, regulations and provisions and actual accounting policies, practices and procedures that prevails in a particular country. The difference between accounting regulations and principles often depends upon the level of enforcement. The level of enforcement is very poor in developing countries like India and China due to factors like scarcity of resources and lack of professionalism.

- **IMPACT OF REPORTING PRACTICES**

Type of report regime can also have a huge impact on the system of accounting as well as the financial reporting that prevails in a particular country. Countries like Austria and Germany who follow single set of rules i.e. same rules for financial as well as tax reporting looks rich in their report regime to potential investors but poor to tax authorities against countries like US, UK and India who use to follow double set of rules while reporting.

- **IMPACT OF e-BUSINESS**

The concept of e-business which has emerged in developed countries like US, UK and Japan has now entered in developing as well as under developed countries at a very rapid rate. Companies are catching global customers but at many levels e-business has posed number of international problems. At global level, various accountants and financial executives are inventing new methods and techniques in order to tide over such problems

- **IMPACT OF CROSS BORDER TERRORISM**

Cross border terrorism is not a new phenomenon particularly for Asian countries. However terrorist attack on 11 September, 2001 in US has made cross border terrorism an international issue. Developed country like US in particular is not only providing financial assistance to developing and under developed countries to fight against terrorism but also business and their own accounting system to carry out transactions in an efficient manner.

- **IMPACT OF RESEARCH AND INNOVATION**

Various accounting approaches and concepts have been emerged due to the recognition of business enterprise with complex interaction of various environmental variables like economic, social, political, legal and technological etc. The concepts like social accounting, human resource accounting, strategic accounting, inflation accounting, international transfer pricing, consolidation and foreign currency translation etc are the precious gift of environment.

SUGGESTIONS

It is next to impossible to bring perfection in accounting system and practices all over the world due to different environmental factors prevailing in different countries but accounting differences at global level can be reduced by establishing effective accounting standards, formats, methods and procedures which are acceptable at global level. It is the duty of international accounting bodies and institutions to come together and establish such a global accounting conceptual framework which reduces the element of subjectivity and facilitate harmonization and universality of accounting at global level but still the universal accepted accounting conceptual framework continue to represent a mission for international accounting bodies and institutions.

CONCLUSION

Accounting principles and practices are the product of environment. Different countries are indifferent to international dimensions of accounting and financial reporting due to complex interaction of environmental variables. The cumulative impact of the changed character of international capital market, predominance of MNC's, new accounting bodies, emergence of e-business, economic, legal, political, social and various other environmental variables has created the element

of subjectivity and harmonization looks next to impossible. On the other side, accounting diversity in global arena has also enhanced the nature and scope of accounting at global level. Today financial experts are witnessing sound conceptual framework given by different accounting bodies as well as innovative concepts and methods to tide over the complexities related with the accounting diversity at global level.

REFERENCES

1. Baldarelli, M.G., Demartini, P., Mošnja – Škare, L., (2007), International Accounting Standards for SMEs: Empirical Evidences from SMEs in a Country in Transition and a Developed Country Facing New Challenges, (Pula: Juraj Dobrila University of Pula, Department of economics and tourism «Dr. Mijo Mirković»)
2. D' Arcy, A., (2001), «Accounting classification and the international harmonisation debate – an empirical investigation», Accounting, Organizations and Society, (26): 327 – 349.
3. Frederick D.S Choi (1991), international accounting diversity: does it impact market participants?, NBER working paper no. 3590 (also reprinted no. r1679)
4. Hassan R. hassabelnaby, Ruth W. epps, Amal A. said (2003), The Impact of Environmental Factors on Accounting Development: An Egyptian Longitudinal Study, critical perspective on accounting, volume 14, issue 3, pages 273 - 292
5. Joel branson, muiz jamil (2007), The Effect of Environmental Factors on Accounting Diversity – A Literature Review, SSRN
6. Jose a lainez, susana callao (2000) The effect of accounting diversity on international financial analysis: empirical evidence, the international journal of accounting, volume 35, issue 1, march 2000, pages 65-83
7. Loana maria dragu (2010), Diversity of national and international accounting practices, Annals of the University of Oradea: Economic Science 01/2010
8. Mueller, G.G., Gernon, H., Meek, G., (1987), Accounting: An International Perspective, (Illinois: IRWIN, Homewood).
9. Nobes, C., (1998), «Towards a General Model of the Reasons for International Differences in Financial Reporting», ABACUS, 34 (2): 162 – 187.
10. Radebaugh, L.H., Gray, S.J., Black, E.L., (2006), International Accounting and Multinational Enterprises, (Hoboken: John Wiley & Sons, Inc).
11. Salter, S.B., Niswander F., (1995), «Cultural Influence on the Development of Accounting Systems Internationally: A Test of Gray's (1988) Theory», Journal of International Business Studies, 26, (2): 379 – 397.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail infoijrcm@gmail.com for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

