

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & 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,

Indian Citation Index (ICI), J-Gate, India [link of the same is duly available at Infibnet of University Grants Commission (U.G.C.)],

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 6001 Cities in 194 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.	ROLE OF REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016 IN PROMOTION OF GROWTH OF REAL ESTATE SECTOR <i>Dr. N. VISALAKSHI & Dr. K. KANAKA RAJU</i>	1
2.	CHALLENGES AND PROBLEMS FACED BY WOMEN ENTREPRENEURS IN INDIA – AN ANALYSIS <i>Dr. V. BALACHANDRAN & A. PANJAVARNAM</i>	7
3.	THE CHANGING LANDSCAPE OF MULTILATERAL TRADING SYSTEMS <i>Dr. M B MOHANDAS</i>	11
4.	PRESENTEEISM AND ITS RELATIONSHIP TO LABOR PRODUCTIVITY WITHIN MALIAN FIRM SEGMA <i>Dr. TIEDIAN FANE, Dr. SALIMOU KEITA & Dr. ALIOU BAMAMOU MAIGA</i>	15
5.	HUMAN RESOURCES EXPENSES AND ITS EFFECT ON FINANCIAL PERFORMANCE OF INDIAN CORPORATE GIANTS: AN EMPIRICAL STUDY <i>ARINDAM SAHA</i>	21
6.	IMPACT OF CROSS-BORDER FACTORS ON INDIAN STOCK MARKET – WITH SPECIAL REFERENCE TO EXCHANGE RATE <i>K.NATARAJAN & Dr. L. GANESAMOORTHY</i>	24
7.	IMPACT OF ECONOMIC RECESSION ON THE GROWTH OF SMALL AND MEDIUM SCALE ENTERPRISES IN NIGERIA <i>Dr. JOSEPH EDEWO AGBADUDU & MONEY UDIH</i>	26
8.	IMPACT OF WAREHOUSE SECTOR IN AGRICULTURE DEVELOPMENT - A STUDY IN WARANGAL RURAL AND URBAN DISTRICTS IN TELANGANA STATE <i>Dr. T. SESHIAIAH</i>	30
9.	CUSTOMER SATISFACTION ON SERVICES OF THE AGRANI BANK LTD DISTRICT COUNCIL BRANCH, FARIDPUR <i>MAHBUBA SULTANA & HUMIRA YEASMIN</i>	34
10.	THE IMPACT OF FOREIGN DIRECT INVESTMENT INFLOWS IN BALANCE OF PAYMENT <i>RENJU JOSEPH</i>	52
	REQUEST FOR FEEDBACK & DISCLAIMER	54

CHIEF PATRON**Prof. (Dr.) 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

CO-ORDINATOR**Dr. BHAVET**

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

ADVISOR**Prof. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**Dr. A SAJEEVAN RAO**

Professor & Director, Accurate Institute of Advanced Management, Greater Noida

FORMER CO-EDITOR**Dr. S. GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

EDITORIAL ADVISORY BOARD**Dr. TEGUH WIDODO**

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Indonesia

Dr. M. S. SENAM RAJU

Professor, School of Management Studies, I.G.N.O.U., New Delhi

Dr. JOSÉ G. VARGAS-HERNÁNDEZ

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

Dr. M. N. SHARMA

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

Dr. CHRISTIAN EHIOBUCHÉ

Professor of Global Business/Management, Larry L Luing School of Business, Berkeley College, USA

Dr. SIKANDER KUMAR

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

Dr. BOYINA RUPINI

Director, School of ITS, Indira Gandhi National Open University, New Delhi

Dr. MIKE AMUHAYA IRAVO

Principal, Jomo Kenyatta University of Agriculture & Tech., Westlands Campus, Nairobi-Kenya

Dr. SANJIV MITTAL

Professor & Dean, University School of Management Studies, GGS Indraprastha University, Delhi

Dr. D. S. CHAUBEY

Professor & Dean (Research & Studies), Uttarakhand University, Dehradun

Dr. NEPOMUCENO TIU

Chief Librarian & Professor, Lyceum of the Philippines University, Laguna, Philippines

Dr. RAJENDER GUPTA

Convener, Board of Studies in Economics, University of Jammu, Jammu

Dr. KAUP MOHAMED

Dean & Managing Director, London American City College/ICBEST, United Arab Emirates

Dr. DHANANJOY RAKSHIT

Dean, Faculty Council of PG Studies in Commerce and Professor & Head, Department of Commerce, Sidho-Kanho-Birsha University, Purulia

Dr. NAWAB ALI KHAN

Professor & Dean, Faculty of Commerce, Aligarh Muslim University, Aligarh, U.P.

Dr. ANA ŠTAMBUK

Head of Department of Statistics, Faculty of Economics, University of Rijeka, Rijeka, Croatia

SUNIL KUMAR KARWASRA

Principal, Aakash College of Education, ChanderKalan, Tohana, Fatehabad

Dr. SHIB SHANKAR ROY

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

Dr. S. P. TIWARI

Head, Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

Dr. SRINIVAS MADISHETTI

Professor, School of Business, Mzumbe University, Tanzania

Dr. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engg. & Tech., Amity University, Noida

Dr. ARAMIDE OLUFEMI KUNLE

Dean, Department of General Studies, The Polytechnic, Ibadan, Nigeria

Dr. ANIL CHANDHOK

Professor, University School of Business, Chandigarh University, Gharuan

RODRECK CHIRAU

Associate Professor, Botho University, Francistown, Botswana

Dr. OKAN VELI ŞAFAKLI

Professor & Dean, European University of Lefke, Lefke, Cyprus

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

Dr. KEVIN LOW LOCK TENG

Associate Professor, Deputy Dean, Universiti Tunku Abdul Rahman, Kampar, Perak, Malaysia

Dr. BORIS MILOVIC

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

SHASHI KHURANA

Associate Professor, S. M. S. Khalsa Lubana Girls College, Barara, Ambala

Dr. IQBAL THONSE HAWALDAR

Associate Professor, College of Business Administration, Kingdom University, Bahrain

Dr. DEEPANJANA VARSHNEY

Associate Professor, Department of Business Administration, King Abdulaziz University, Saudi Arabia

Dr. MOHENDER KUMAR GUPTA

Associate Professor, Government College, Hodal

Dr. BIEMBA MALITI

Associate Professor, School of Business, The Copperbelt University, Main Campus, Zambia

Dr. ALEXANDER MOSESOV

Associate Professor, Kazakh-British Technical University (KBTU), Almaty, Kazakhstan

Dr. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

Dr. FERIT ÖLÇER

Professor & Head of Division of Management & Organization, Department of Business Administration, Faculty of Economics & Business Administration Sciences, Mustafa Kemal University, Turkey

Dr. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

Dr. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

YU-BING WANG

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

Dr. SAMBHAVNA

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

Dr. KIARASH JAHANPOUR

Research Adviser, Farabi Institute of Higher Education, Mehrshahr, Karaj, Alborz Province, Iran

Dr. MELAKE TEWOLDE TECLEGHIORGIS

Faculty, College of Business & Economics, Department of Economics, Asmara, Eritrea

Dr. SHIVAKUMAR DEENE

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

Dr. THAMPOE MANAGALESWARAN

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

Dr. VIKAS CHOUDHARY

Faculty, N.I.T. (University), Kurukshetra

SURAJ GAUDEL

BBA Program Coordinator, LA GRANDEE International College, Simlanchaur - 8, Pokhara, Nepal

Dr. DILIP KUMAR JHA

Faculty, Department of Economics, Guru Ghasidas Vishwavidyalaya, Bilaspur

FORMER TECHNICAL ADVISOR**AMITA****FINANCIAL ADVISORS****DICKEN 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.**

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>

HUMAN RESOURCES EXPENSES AND ITS EFFECT ON FINANCIAL PERFORMANCE OF INDIAN CORPORATE GIANTS: AN EMPIRICAL STUDY

ARINDAM SAHA
ASST. PROFESSOR
JAIPURIA INSTITUTE OF MANAGEMENT
INDORE

ABSTRACT

The paper talks about the relationship between financial performance and HR expenses of recent ten years of large cap organisations of India representing various sectors. The study has used financial data of last ten years (2008-2017) of 30 companies that come under NIFTY FIFTY. It is established that there is a significant relationship between HR expenses as input and Net Profit as output, and it is of relevance for both practising HR managers and business schools in India.

KEYWORDS

indian large cap companies, financial performance, HR expenses.

JEL CODE

I25

1. INTRODUCTION

Last ten years between 2007 to 2017 Indian economy emerged very strongly at the global level. It is slowly marching towards top 5 economies of the world today from double digit rank in 2007. Indian corporate is one of the main driving force for this economic resurgence. Awareness about higher education and other skill building frontiers provided multiple opportunities for human resources in India. In order to test the relationship between quality of human resources and performance of Indian corporate the present paper explores a quantitative relationship. The findings of this paper may provide useful insights for practising HR managers and business leaders.

Organisations have traditionally treated employees (its human resources) a cost and 'investment' done on developing the intellectual capital as 'expenses'. To add, "...most economic and financial models treat employees - the prime carriers of knowledge - as a cost and not as a resource." (Pulic, 2004).

Drucker in 1954 opined that the future belongs to knowledge society and knowledge workers. We have long since embarked on this journey and yet have ignored employees as resources and all expenses related to maintaining the HR as investments for present and future growth. "The treatment of employees as investment is the beginning and the end of knowledge based economy". (Pulic, 2004). This becomes the vantage point, which this study decided to explore further.

The existing literature suggests that the relative significance of intangible assets such as, human capital, customer relations, brand name, corporate reputation, intellectual property, and patents have increased in knowledge economy. (Vishnu and Gupta, 2013). Hence, it is impertinent that organisations not only measure but also manage their human capital.

We have seen shifts in the domain of HR, where Personnel Management became Human Resources Management, and then BPHR (Business partners). The fact is - balance sheets in India still find salaries and training as expenses, and not as investments for growth. In order to get HR its rightful status, this paper started with a premise that the main driver of any organisation's progress – its people – must be seen under the view of Intellectual Capital.

Many approaches and methods have been discussed in the past two and a half decades; say since 1990s, in the era of knowledge revolution. To name a few – Balanced scorecard, HR scorecard, 360 degree feedback, EVA (Economic Value Added), etc. have been popular for studies.

STRUCTURE OF THE PAPER IS AS FOLLOWS

Section 2 comprises of survey of literature and gap in literature, which needed to be addressed. Section 3 comprises of research problem, research objectives and hypothesis. Section 4 discusses research methodology in detail, whereas, section 5 elaborates on results and related discussion. Section 6 consists of implications of this research, policy recommendations, conclusions, and limitations along with scope for further research.

2. REVIEW OF LITERATURE

Human Capital, HR Expenses/Investments, Intellectual capital (IC), Intangible benefits, Human Assets, Manpower expenses, etc. have been used by various studies to understand the concept of contribution of employees towards the financial performance of any organisation. Researchers have worked heavily towards conceptualising Intellectual capital and Human capital. Typologies have been provided by researchers (Seetharaman et al, 2004), (Pulic, 2004) to understand the interrelated concepts. Roos and Roos (1997) conceptualise IC as sum of the hidden assets of the company not fully captured on the balance sheet.

Studies concerning the impact of human/intellectual capital on firm performance have been conducted around the globe on various sectors, such as, pharmaceuticals (Kamath, 2008).

Quite a few researchers, in recent past, have tried to establish a linkage between the *quality of human resources* and the *financial performance* of an organisation. While majority of these studies have been conclusive, at times there were contradictions and/or insufficient evidence to establishing a direct relationship between the two. Some studies have reported a weak or negative relationship between Intellectual capital and firm performance (Firer and Williams, 2003), while some have reported explainable relationship (Vishnu and Kumar, 2014).

A useful method for studying the impact of intellectual capital on corporate performance is Value Added Intellectual Coefficient (VAIC) model proposed by Ante Pulic in 1993. The present study considers Pulic's conceptualisation, but, in the context of large cap Indian organisations. It also limits itself in studying the relationship between HR Expenses and Net Profit only.

3. THE RESEARCH PROBLEM, OBJECTIVES & HYPOTHESIS

How to study the impact of expenses on human resources as input and financial performance of the company as output?

Here, HR Expenses is a sum of total salaries and wages paid to employees, training costs, benefits such as PF and Gratuity, employee self-learning initiatives, and all welfare activities an organisation engages into for its people.

An objective measure of Financial Performance is Net Profit and this is the dependant variable of the study.

RESEARCH OBJECTIVES

Expenses on human resources is supposed to be a measure of either quantity or quality or both of human resources. It is one of the vital input for production or service delivery in an organisation. To measure the impact of HR expenses on financial performance will be essential for better decision making for the organisation. This study tries to find the relationship between HR expenses as input and Net Profit as output in the context of 30 major Indian companies, of various sectors, belonging to NIFTY FIFTY.

HYPOTHESIS

Formulation of null hypothesis and alternate hypothesis-

H_0 : There is no significant impact of HR expenses on net profit of major Indian companies

H_1 : There is significant impact of HR expenses on net profit of major Indian companies

4. RESEARCH METHODOLOGY

The secondary data is collected from database ACE EQUITY and simple linear regression method of quantitative research methodology is adopted to explore the nature of relationship between the independent variable (HR Expenses) and dependent variable (Net Profit).

TABLE 1: AVERAGE HR EXPENSES AND NET PROFIT OF (30) MAJOR NIFTY FIFTY COMPANIES

S. No	Company Name	HR Expenses (avg of 10 years; ₹ in millions)	Net Profit (avg of 10 years; ₹ in millions)	S. No	Company Name	HR Expenses (avg of 10 years; ₹ in millions)	Net Profit (avg of 10 years; ₹ in millions)
1	Adani Ports and Special Economic Zone Ltd.	1482.84	15726.55	16	ICICI Bank Ltd.	54018.15	82610.45
2	Asian Paints	6445.3	11218.97	17	Indian Oil Corporation Ltd.	67532.19	82560.32
3	Axis Bank Ltd.	25205.02	44229.45	18	Infosys Ltd.	218632	92365
4	Bajaj Auto Ltd.	6150.32	26253.51	19	ITC Ltd.	21186.34	68278.48
5	Bharat Petroleum Corporation Ltd.	25965.45	34322.55	20	Kotak Mahindra Bank Ltd.	20675.69	22519.56
6	Bharti Airtel Ltd.	34178.68	52562.11	21	Mahindra & Mahindra Ltd.	60789.01	28816.8
7	Bharti Infratel Ltd.	2617.03	8994.46	22	Maruti Suzuki India Ltd.	11566.9	31260.2
8	Coal India Ltd.	246358.5	111802.9	23	NTPC Ltd.	32707.39	98273.73
9	Eicher Motors Ltd.	3561.87	35146.36	24	Oil & Natural Gas Corporation Ltd.	54868.49	212322.97
10	GAIL (India) Ltd.	118055.8	39761.57	25	Reliance Industries Ltd.	48481.47	224526.13
11	HDFC Bank Ltd.	41249.13	70637.92	26	State Bank Of India	236184.69	122091.37
12	Hindalco Industries Ltd.	65438.53	19721.2	27	Sun Pharmaceutical Industries Ltd.	20756.44	36066.02
13	Hindustan Petroleum Corporation Ltd.	20084.49	18194.14	28	Tata Motors Ltd.	161351.31	80280.12
14	Hindustan Unilever Ltd.	13250.26	32269.74	29	Tata Steel Ltd.	184544.48	16637.92
15	Housing Development Finance Corporation Ltd.	5130.25	50493.91	30	Tata Consultancy Services Ltd.	324726.68	141338.92

All the figures are in *million rupees* and ten years' average value for both HR Expenses and Net Profit are considered for regression. Ms-Excel is used as a software to run the regression.

5. RESULTS AND FINDINGS

The output summary of regression is being provided here in table 2 and table 3.

TABLE 2: REGRESSION SUMMARY

Regression Statistics	
Multiple R	0.413753324
R Square	0.171191813
Adjusted R Square	0.141591521
Standard Error	50774.45639
Observations	30

Adjusted R^2 here implies that 14% explanation is being provided by the human resource expenses in the net profit. This may be interesting to practising managers and decision makers as HR expenses may better be treated rather as investments for growth of a company.

TABLE 3: t-STAT AND p VALUE

ANOVA								
	df	SS	MS	F	Significance F			
Regression	1	14909996953	14909996953	5.783450063	0.023034525			
Residual	28	72185271796	2578045421					
Total	29	87095268750						
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	45209.94587	12046.12464	3.753069741	0.000811394	20534.57814	69885.3136	20534.57814	69885.3136
HR Expenses (avg of 10 years; in millions)	0.260166104	0.108182551	2.404880467	0.023034525	0.038564194	0.481768014	0.038564194	0.481768014

Here, the p value is less than 0.05, hence the null hypothesis is rejected. This means that there is a significant impact of HR Expenses on Net Profit of an organisation. Both the tables presented here clearly suggests the importance of spending right amount on both quantity and quality of human resource, which can cause impetus in the growth of net profit.

DISCUSSION

Giant Indian companies often invest in modernisation of technology and fund management. The findings of this paper have deeper implications for practising HR managers, as, some of the companies in the given data show much lesser net profit than their HR expenses. These companies should introspect and adopt the practice of benchmarking to match the performance of the industry leader in their segment. This study emphasise not only on hiring right amount of workforce but also recruiting quality manpower and avoid overcompensation so as to achieve the optimum financial output for the given manpower costs.

It should also be noted that HR expenses usually outnumber financial performance during lean period (between 2007 and 2012) whereas the same manpower can deliver higher returns during the boom period (between 2013 and 2017). There is an interesting perspective which can be explored in future with the help of primary data that the skills and knowledge imparted by academic and other types of skill building institutions can have significant impact on the financial performance of Indian corporate.

6. LIMITATIONS AND FUTURE SCOPE OF THE STUDY

This study was performed only on 30 Indian companies (taken from NIFTY FIFTY and/or BSE) and can have different output if the sample size would have been more than 200. This would include some good mid-cap companies also, which the present study did not include. Only the major NIFTY FIFTY companies were studied whose data for minimum ten years was available. In future, a similar analysis will be of interest if performed on 300-500 Indian companies.

7. CONCLUSION

HR expenses is somewhat lesser are of concern for Indian corporate from the point of view of financial performance. During the slowdown or recession, companies prefer cost cutting and resort to practices such as lay-offs, VRS, pay-cut, no perks, etc. but when there is a boom period they prefer to modernisation, production capacity enhancement, automation, R&D, expansion of distribution channel for better penetration, etc.

The output of this paper is to give dollar value of HR expenses on financial performance of Indian firms. In any future time of recession or slowdown we would not be worried had we invested more on developing people.

One interesting conclusion is for the trade unions, which negotiate on various benefits for workers, including wage hikes. They would be better off if the discussion happens with such data, which establishes positive relationship between wages paid and financial performance of the company.

8. ACKNOWLEDGEMENTS

The author wishes to acknowledge the support received from his colleagues at Jaipuria Indore. The author would also like to thank his family and teachers for their continued faith and support.

REFERENCES

1. Bhartesh, K.R. and Bandyopadhyay, A.K., 2005. Intellectual capital: concept and its measurement. *Finance India*, 19(4), p.1365.
2. Bhasin, M.L., 2015. Disclosure of intellectual capital in annual reports: an empirical study of the Indian IT corporations.
3. Bontis, N., Dragonetti, N.C., Jacobsen, K. and Roos, G., 1999. The knowledge toolbox: A review of the tools available to measure and manage intangible resources. *European management journal*, 17(4), pp.391-402.
4. Choudhury, J., 2010. Performance impact of intellectual capital: a study of Indian IT sector. *International journal of business and management*, 5(9), p.72.
5. Firer, S. and Mitchell Williams, S., 2003. Intellectual capital and traditional measures of corporate performance. *Journal of intellectual capital*, 4(3), pp.348-360.
6. Kamath, B., 2008. Intellectual Capital Disclosure in India: content analysis of "Teck" firms. *Journal of Human Resource Costing & Accounting*, 12(3), pp.213-224.
7. Kujansivu, P. and Lönnqvist, A., 2007. Investigating the value and efficiency of intellectual capital. *Journal of Intellectual Capital*, 8(2), pp.272-287.
8. Maditinos, D., Chatzoudes, D., Tsairidis, C. and Theriou, G., 2011. The impact of intellectual capital on firms' market value and financial performance. *Journal of intellectual capital*, 12(1), pp.132-151.
9. Murale, V., 2010. Impact of intellectual capital on firm value: A panel data analysis of Indian IT firms. *Advances in Management*.
10. Pulic, A., 2004. Intellectual capital—does it create or destroy value?. *Measuring business excellence*, 8(1), pp.62-68.
11. Roos, G. and Roos, J., 1997. Measuring your company's intellectual performance. *Long range planning*, 30(3), pp.413-426.
12. Seetharaman, A., Lock Teng Low, K. and Saravanan, A.S., 2004. Comparative justification on intellectual capital. *Journal of Intellectual Capital*, 5(4), pp.522-539.
13. Vishnu, S. and Kumar Gupta, V., 2014. Intellectual capital and performance of pharmaceutical firms in India. *Journal of Intellectual Capital*, 15(1), pp.83-99.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & 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

