

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 Infilbnet 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 5504 Cities in 190 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.	A STUDY ON CONSUMERS' ATTITUDE TOWARDS ORGANIC PRODUCTS <i>D. SUMATHI & DR. JOHN GABRIAL</i>	1
2.	SMALL AND MEDIUM ENTERPRISES: PROBLEMS OF ENTREPRENEURS <i>YASHMITA AWASTHI & H. P. MATHUR</i>	4
3.	GLOBALIZATION OF FINANCE AND HUMAN DEVELOPMENT: A COMPARATIVE STUDY OF INDIA, BANGLADESH AND CHILE <i>DR. SRINIBASH DASH, SISIR RANJAN DASH & DR. JYOTIRMAYA MAHAPATRA</i>	8
4.	SOCIO ECONOMIC STATUS OF SCHEDULED CASTE WOMEN SELF HELP GROUP MEMBERS IN ERODE DISTRICT <i>DR. M. NIRMALA</i>	14
5.	A STUDY ON RELATIONSHIP BETWEEN BANKEX AND STOCK MARKET INDICES <i>DR. M. JAYANTHI, G. SOWMYA & V. NANDHINI</i>	18
6.	IMPACT OF ORGANISATIONAL CLIMATE ON EMPLOYEE PERFORMANCE: A STUDY WITH REFERENCE TO THE EDUCATIONAL SECTOR OF INDORE <i>PALASH GARG & DR. DEEPAK TALWAR</i>	22
7.	EFFECTS OF WOLAITA DICHA JUNIOR FOOTBALL CLUB PLAYER'S INTERVENTION PROGRAM ON MOTOR PERFORMANCE SKILLS IN SOUTH NATIONS AND NATIONALITY OF ETHIOPIA <i>MILKYAS BASSA MUKULO</i>	26
8.	IMPLICATIONS OF MARKETING STRATEGIES ON TELECOM SERVICES: A STUDY IN BANGALORE <i>SRINIVASA. M & DR. D GOVINDAPPA</i>	28
9.	A STUDY ON EFFECTIVE ORGANIZATIONAL LEARNING THROUGH KNOWLEDGE MANAGEMENT MODEL <i>A. S. SATHISHKUMAR & DR. P. KARTHIKEYAN</i>	34
10.	CONSUMER PREFERENCES AND SATISFACTION TOWARDS VARIOUS MOBILE PHONE SERVICE PROVIDERS WITH SPECIAL REFERENCE TO VODAFONE AT THIRUTHURAIPONDI TOWN <i>J. ANITHA & K. GOMATHI</i>	37
11.	THE PIVOTAL ROLE OF HRM IN ENHANCING ORGANIZATIONS COMPETITIVE ADVANTAGE THROUGH SOCIAL MEDIA USAGE <i>JYOTI.C. GANDHI</i>	41
12.	DIGITAL INDIAN ECONOMY: A DREAM FAR FROM REALITY <i>MOHD SAZID</i>	44
13.	A STUDY ON PRIORITY SECTOR LENDING BY BANKS <i>NAGALAKSHMI G S</i>	47
14.	EXTROVERSION AND EMOTIONAL LABOUR: A STUDY ON ORGANIZED RETAIL SECTOR <i>ASHA DAHIYA</i>	50
15.	A STUDY ON WAGE AND SALARY ADMINISTRATION IN SMALL SCALE UNITS IN TAMIL NADU DISTRICT <i>DR. P. R. KOUSALYA, DR. P. GURUSAMY & S. KAVITHA</i>	55
16.	A STUDY ON CONSUMER PREFERENCE OF DURABLE AND NON-DURABLE GOODS IN PATTUKKOTTAI TOWN <i>S. DHIVYA & D. SUPULAKSHMI</i>	58
17.	THE IMPACT OF ELECTRONIC COMMERCE ON LIBYA'S ECONOMIC GROWTH <i>NAGMI MOFTAH AIMER, ABDULMULA LUSTA & MOUSBAH ABOMAHDI</i>	62
18.	CUSTOMER'S EXPECTATIONS AND LEVEL OF SATISFACTION FROM ONLINE SHOPPING IN TEHRI: AN EMPIRICAL INVESTIGATION <i>ASHA RONGALI</i>	67
19.	PRIVATE LABEL BRANDS - NATIONAL AND INTERNATIONAL SCENARIO: A REVIEW BASED PAPER <i>MAMTA RANGA</i>	71
20.	BANK INSURANCE MODEL: A FINANCIAL STRATEGY FOR GROWTH <i>SASMITA SAHOO</i>	75
	REQUEST FOR FEEDBACK & DISCLAIMER	78

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

ADVISOR**PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**PROF. R. K. SHARMA**

Professor & Dean, 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. CHRISTIAN EHIUBUCHE**

Professor of Global Business/Management, Larry L Luing School of Business, Berkeley College, Woodland Park NJ 07424, USA

DR. JOSÉ G. VARGAS-HERNÁNDEZ

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

PROF. M. N. SHARMA

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

DR. TEGUH WIDODO

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Terusan Buah Batu, Kabupaten Bandung, Indonesia

PROF. M. S. SENAM RAJU

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

DR. KAUP MOHAMED

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

PROF. ANIL K. SAINI

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

DR. ARAMIDE OLUFEMI KUNLE

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

DR. S. TABASSUM SULTANA

Principal, Matrusri Institute of P.G. Studies, Hyderabad

DR. MIKE AMUHAYA IRAVO

Principal, Jomo Kenyatta University of Agriculture and Technology (JKUAT), Westlands Campus, Nairobi-Kenya

DR. NEPOMUCENO TIU

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

DR. ANA ŠTAMBUK

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

DR. FERIT ÖLÇER

Head of Division of Management & Organization, Department of Business Administration, Faculty of Economics & Business Administration Sciences, Mustafa Kemal University, Tayfur Sökmen Campus, Antakya, Turkey

PROF. SANJIV MITTAL

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

DR. SHIB SHANKAR ROY

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

PROF. NAWAB ALI KHAN

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

DR. SRINIVAS MADISHETTI

Professor, School of Business, Mzumbe University, Tanzania

PROF. ABHAY BANSAL

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

DR. KEVIN LOW LOCK TENG

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

DR. OKAN VELI ŞAFKLI

Associate Professor, European University of Lefke, Lefke, Cyprus

DR. V. SELVAM

Associate Professor, SSL, VIT University, Vellore

DR. BORIS MILOVIC

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

DR. N. SUNDARAM

Associate Professor, VIT University, Vellore

DR. IQBAL THONSE HAWALDAR

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

DR. MOHENDER KUMAR GUPTA

Associate Professor, Government College, Hodal

DR. ALEXANDER MOSESOV

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

RODRECK CHIRAU

Associate Professor, Botho University, Francistown, Botswana

DR. PARDEEP AHLAWAT

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

DR. DEEPANJANA VARSHNEY

Associate Professor, Department of Business Administration, King Abdulaziz University, Ministry of Higher Education, Jeddah, Saudi Arabia

BIEMBA MALITI

Associate Professor, The Copperbelt University, Main Campus, Jambo Drive, Riverside, Kitwe, Zambia

DR. KIARASH JAHANPOUR

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

DR. SAMBHAVNA

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

YU-BING WANG

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

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. JASVEEN KAUR

Faculty, University Business School, Guru Nanak Dev University, Amritsar

SURAJ GAUDEL

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

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

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.

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>

A STUDY ON RELATIONSHIP BETWEEN BANKEX AND STOCK MARKET INDICES

DR. M. JAYANTHI
ASSOCIATE PROFESSOR
DEPARTMENT OF COMMERCE
PSG COLLEGE OF ARTS & SCIENCE
COIMBATORE

G. SOWMYA
RESEARCH SCHOLAR
DEPARTMENT OF COMMERCE
PSG COLLEGE OF ARTS & SCIENCE
COIMBATORE

V. NANDHINI
RESEARCH SCHOLAR
DEPARTMENT OF COMMERCE
PSG COLLEGE OF ARTS & SCIENCE
COIMBATORE

ABSTRACT

The study examines the relationship between BANKEX and Stock Market Indices over a sampling period from 1st January 2006 to 31st December 2015. Statistical tools i.e. Person's correlation, Regression, Augmented Dickey Fuller (ADF) Unit Root test Hypothesis and Pair-Wise Granger Causality Test were used to test the relationship. The finding from the study reveals that sectoral indices have influence over each other and there exists unidirectional causality between the selected sectoral indices.

KEYWORDS

BANKEX, SENSEX, NIFTY, performance of sectoral indices.

INTRODUCTION

Indian financial market has been going through a fascinating change and it opened up investment opportunities in the financial sector. The stock market is an avenue for every investor in India. Therefore, the investors have to forecast the market price in order to maximize their investment worth. Initially, the stock market index was formed and later on sectoral indices were developed and these are collectively providing the information to the investors to invest their funds. Identifying the importance of stock market indices, a study has been undertaken to examine a relationship between the leading stock market index of the country (NIFTY & SENSEX) and BANKEX which are most important to the overall performance of the economy. This study concentrates on the particular aspect of Bank Indices (BANKEX), as without a sound and effective banking system in India, it cannot have a healthy economy. It was felt that the efficiency of financial system of the banking sector was not only measured by quantitative growth in the terms of branch expansion but also in the growth of deposits/advances. The system of BANKEX was brought into effect since 2002 in BSE and 2003 in NSE for the efficient evaluation of banking operations in the stock market.

STATEMENT OF THE PROBLEM

Indian Stock market indices are influenced by both macro & micro factors and also by other sectoral indices. The world economy faces volatility due to various businesses, political, social and globalized economic environments which is reflected in the market capitalization. Indian economy also faces the same kind of problems. Indian Capital market consists of various sectoral indices in which the Performance of bank indices is an important indicator of the functioning of an economic system. Taking into consideration that volatility of banking stocks that has hogged the limelight. An important issue centers on the pattern of bank stock returns and their impact on the stock market indices. Because of high volatility in banking stock returns and stock market indices, investors are in a dilemma whether their investment will be safe or not. Even though situations have stabilized, still there is an imprecision among the investors about the performance of the sectoral indices. Hence, an attempt is made to study about the relationship between the sectoral indices and stock market indices (SENSEX & NIFTY) with special reference to BANKEX.

OBJECTIVES

1. To examine the correlation between S&P Bankex, CNX Bankex, SENSEX and NIFTY.
2. To investigate the impact of S&P Bankex on SENSEX and CNX Bankex on NIFTY
3. To analyze whether the Bankex of NSE and BSE, SENSEX and NIFTY are stationary.

METHODOLOGY**SOURCE AND COLLECTION OF DATA**

The study has used mainly secondary data. Information relating to the values of BANKEX and stock market indices have been obtained from www.bseindia.com, www.nseindia.com and money control.

PERIOD OF THE STUDY

The present study is an attempt to test the relationship and impact of BANKEX on stock market indices during the period from 1st January 2006 to 31st December 2015.

TOOLS USED FOR ANALYSIS

- Person's correlation
- Regression
- Augmented Dickey Fuller (ADF) Unit Root test.
- Pair-Wise Granger Causality Test

LITERATURE REVIEW

Dr. R. Radhika (2015) analyzed “BSE and Sectoral Indices: A Comparative Study”. This paper examines the performance of sectoral indices such as BSE IT, BSE FMCG, BSE Oil and Gas, BSE BANKEX, BSE Metal, BSE Realty in comparison with SENSEX. The study has incorporated the last financial year and studied the correlation coefficients to establish the relationship between selected sectoral indices and SENSEX. The Study declares that there is a high range of positive correlation between the selected indices and SENSEX. It suggests that the investors can follow the leading index for their investment in various sectors.

Ramkumar Rajesh (2012) conducted a study on “Market efficiency in Sectoral Indices: A study with special reference to Bombay Stock Exchange in India”. This paper proposes to test the sectoral indices of BSE and to examine the market efficiency using the run test and auto correlation test. The study found that the return of BSE Automobile Index, BSE Bankex, BSE Capital goods Index, BSE Health Care Index, BSE Metal Index, BSE PSU Index and BSE Realty Index were significant at 5% level during 1st January 2005 to 31st December 2010.

ANALYSIS

PERSON’S CORRELATION

H₀: There is no significant relationship between S&P BANKEX and S&P SENSEX.

TABLE 1: MOVEMENT OF CNX BANKEX AND CNX NIFTY

Correlations			
Variables	Particulars	S&P Bankex	Sensex
S&P Bankex	Pearson Correlation	1	.967**
	Sig. (2-tailed)		.000
	N	10	10
Sensex	Pearson Correlation	.967**	1
	Sig. (2-tailed)	.000	
	N	10	10

** . Correlation is significant at the 0.01 level (2-tailed).

The table no.1 exhibits the movement of CNX BANKEX and CNX NIFTY to identify the relationship among both the indices. The Pearson’s correlation results reveal that there exists a positive relationship (0.967) between CNX BANKEX and CNX NIFTY. The significant value (0.00) is less than 0.01. Hence null hypothesis (H₀) is rejected. It confirms that the share price movement in CNX BANKEX has a significant relationship with CNX NIFTY.

H₀: There is no significant relationship between CNX BANKEX and CNX NIFTY.

TABLE 2: MOVEMENTS OF S&P BANKEX AND S&P SENSEX

Correlations			
Variables	Particulars	CNX Bankex	NIFTY
CNX Bankex	Pearson Correlation	1	.970**
	Sig. (2-tailed)		.000
	N	10	10
NIFTY	Pearson Correlation	.970**	1
	Sig. (2-tailed)	.000	
	N	10	10

** . Correlation is significant at the 0.01 level (2-tailed).

The table no. 2 exhibits the movement of S&P BANKEX and S&P SENSEX to identify the relationship between both the indices. The Pearson’s correlation results reveal that there exists a positive relationship (0.970) between S&P BANKEX and S&P SENSEX. The significant value (.000) is less than 0.01. Hence the null hypothesis (H₀) is rejected. It confirms that the share price movements in S&P BANKEX have significant relationship with S&P SENSEX.

Regression Analysis

H₀: There is no significant cause and effect relationship between CNX Bankex and NIFTY.

TABLE 3: CAUSE AND EFFECT RELATIONSHIP BETWEEN CNX BANKEX AND NIFTY

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.970 ^a	.941	.933	424.832

- a. Predictors: (Constant), CNX Bankex
- b. Dependent Variable: NIFTY

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.296E7	1	2.296E7	127.231	.000 ^a
	Residual	1443856.573	8	180482.072		
	Total	2.441E7	9			

- a. Predictors: (Constant), CNX Bankex
- b. Dependent Variable: NIFTY

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1769.207	377.309		4.689	.002
	CNX Bankex	.364	.032	.970	11.280	.000

a. Dependent Variable: NIFTY

The impact of CNX Bankex affecting NIFTY has been captured statistically by the Regression model. The r value is (.970). This shows that predictors have 97% influence on the output. CNX Bankex (b=0.364), this value indicates that as the CNX Bankex increases by 1 unit the average NIFTY value increases by 0.364 units. The p- value, 0.000 is less than 0.01 at 1% level of significance. Hence the null hypothesis (H₀) is rejected. It is inferred that the variance in CNX Bankex contributes to the change in NIFTY.

H₀: There is no significant cause and effect relationship between S&P BANKEX and SENSEX.

TABLE 4: CAUSE AND EFFECT RELATIONSHIP BETWEEN S&P BANKEX AND SENSEX

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.967 ^a	.936	.928	1.4502385E3

a. Predictors: (Constant), S&P Bankex
 b. Dependent Variable: SENSEX

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.443E8	1	2.443E8	116.152	.000 ^a
	Residual	1.683E7	8	2103191.702		
	Total	2.611E8	9			
a. Predictors: (Constant), S&P Bankex						
b. Dependent Variable: SENSEX						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	6253.495	1280.324		4.884	.001
	S&P Bankex	1.033	.096	.967	10.777	.000
a. Dependent Variable: SENSEX						

The impact of S&P Bankex affecting SENSEX has been captured statistically by the Regression model. The r value is (.967). This shows that predictors have 96.7% influence on the output. S&P Bankex (b=1.033), this value indicates that as the S&P Bankex increases by 1 unit the average SENSEX value increases by 1.033 units. The p- value, 0.000 is less than 0.01 at 1% level of significance. Hence the null hypothesis (H₀) is rejected. It is inferred that the variance in S&P Bankex contributes to the change in SENSEX.

STATISTICAL DESCRIPTION OF VARIABLES

The statistical description of variables which are used in this study is represented in Table no.3. It indicates Mean, Standard deviation, Skewness and Kurtosis of variables used in this study.

TABLE 5: STATISTICAL DESCRIPTION OF VARIABLES

INDICES	MEAN	STD. DEVIATION	SKEWNESS	KURTOSIS
S&P BANKEX	0.218976514	0.486502079	-0.279541858	-1.585143815
S&P SENSEX	0.142295985	0.391925765	-0.062105061	0.350116212
CNX BANKEX	0.218065004	0.455850412	-0.263948481	-1.698260417
CNX NIFTY	0.14871215	0.370779551	-0.187581129	-0.095284983

As table no.5 shows, S&P BANKEX has the highest mean amongst variables with the value of 0.218976514 and S&P SENSEX has the lowest mean amongst variables with the value of 0.142295985. S&P BANKEX also has the highest standard deviation amongst variables with the value of 0.486502079 and CNX NIFTY has the lowest standard deviation amongst variables with the value of 0.370779551.

The table no.5 exhibits the values of S&P BANKEX, S&P SENSEX, CNX BANKEX and CNX NIFTY are negative and ranges between 0 and -0.3, which represents that the distributions are negatively skewed and the frequency curves are negatively skewed with a long tail towards left.

The table no.5 shows the negative kurtosis and the coefficient of Kurtosis are less than 3 and the curves are said to be flat, as their frequencies are less concentrated around the mean. The flatness of frequency curve is described as Platykurtic.

Augmented Dickey Fuller (ADF) Unit Root test.

H₀: The series are non-stationary. The unit root exists

TABLE 6: UNIT ROOT TEST RESULTS AT LEVEL WITH CONSTANT

2007-2016	VARIABLE	No. of. Observations	ADF Test Statistics	Critical Value @ 5%	p- Value	H ₀ Accept/ Reject
Level	CNXBankex	2454	-2.756983	-3.411	0.2137	Accept
Level	NIFTY	2465	-2.563946	-3.411	0.2972	Accept
Level	S&PBankex	2454	-2.511894	-3.411	0.3223	Accept
Level	SENSEX	2465	-2.463014	-3.411	0.3467	Accept

It is clear from the Table that calculated value of the test statistics |t| is less than its critical value (-3.411) in all the selected Indices and all the probability values are greater than 0.05. Therefore, the null hypothesis is accepted, which means that for the series CNXBankex, NIFTY, S&P Bankex and SENSEX, unit root exists, and they are non-stationary at its levels.

Pair-Wise Granger Causality Tests

H₀: There is no causal relationship between selected Indices.

TABLE 7: PAIR-WISE GRANGER CAUSALITY TEST

Null Hypothesis	F Stat	P-Value	Hypothesis Accept/Reject	Causality
NIFTY does not Granger Cause S&P Bankex	2.76185	0.0634	Accepted	No Causality
S&PBankex does not Granger Cause NIFTY	2.79457	0.0613	Accepted	
SENSEX does not Granger cause S&P Bankex	2.45628	0.0860	Accepted	Unidirectional
S&PBankex does not Granger cause SENSEX	3.40215	0.0335	Rejected	
CNXBankex does not Granger cause NIFTY	434.297	2E-162	Rejected	Unidirectional
NIFTY does not Granger cause CNX Bankex	1.04324	0.3525	Accepted	
CNXBankex does not Granger cause SENSEX	427.968	3E-160	Rejected	Unidirectional
SENSEX does not Granger cause CNX Bankex	1.00070	0.3678	Accepted	
CNXBankex does not Granger cause S&PBankex	1.88834	0.1515	Accepted	Unidirectional
S&PBankex does not Granger cause CNXBankex	4.51825	0.0110	Rejected	

The results of pair-wise Granger causality test between selected Indices are presented in the table no.7. It has been found that there exists Unidirectional Causality (Granger Cause) between S&PBankex and SENSEX, CNXBankex and NIFTY, CNXBankex and SENSEX, S&PBankex and CNXBankex. It is concluded that there is causal relationship between the selected indices except NIFTY with S&P Bankex.

CONCLUSION

The study infers that sectoral indices have significant influence on each other. The Grangers causality test signifies that there exists unidirectional causality between the selected sectoral indices. It is clear from the ADF test statistics that each time series data is integrated. The factors studied are of immense use for investors to take appropriate decision by considering not only global economic and political environment but also the sectoral indices to mitigate investment risks in their investment portfolio.

REFERENCES**JOURNAL**

1. Fama, Eugene F. (1965). The behavior of Stock market prices. *Journal of Business*, 38, 34-105.
2. Pant, Bhanu, and Bishnoy, T.R (2001). Testing random walk hypothesis for Indian stock market indices. Paper presented at IICM conference in 2002, 1-15.
3. Ramkumar, Rajesh. (2012). An Analysis of Market efficiency in Sectoral Indices: a study with special reference to Bombay Stock Exchange in India. *European Journal of Scientific Research*, 290-297.
4. Ray, Sarbapriya (2012) " Testing Granger causal relationship between macroeconomic variables and stock price behaviour: Evidence from India". *Advances in Applied Economics and finance (AAEF) Vol. 3 (1):470-481.*

WEB SOURCE

5. Dr. R. Radhika. (2015). BSE and Sectoral Indices: A Comparative study. Retrieved from https://scholar.google.co.in/scholar?q=bse+and+sectoral+indices%3A+a+comparitive+study&btnG=&hl=en&as_sdt=0%2C5

WEBSITES

6. www.bseindia.com
7. www.moneycontrol.com
8. www.nseindia.com

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

