

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.

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

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 2980 Cities in 165 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 STATUS AND PROSPECTS OF INDIA - THAILAND FREE TRADE AGREEMENT <i>DR. SAIFIL ALI & MANIVASAGAN</i>	1
2.	MICRO FINANCE TOWARDS GENDER EQUITY AND SUSTAINABLE DEVELOPMENT <i>DR. WAJEEDA BANO</i>	7
3.	TEXTILE INDUSTRY: INDIA'S SECOND LARGEST EMPLOYER, BUT WHAT'S REALLY IN FOR THE WORKERS? <i>DR. HALIMA SADIA RIZVI & ISHA JASWAL</i>	14
4.	CORPORATE GOVERNANCE ISSUES IN BANKS IN INDIA <i>DR. PRITA D. MALLYA</i>	18
5.	ECOLOGICAL ECONOMY AND SUSTAINABILITY: THE FUTURES <i>DR. PAWAN KUMAR SHARMA</i>	21
6.	DEALING WITH SEASONALITY: MODELLING TOURISM DEMAND IN CROATIA <i>DR. BALDIGARA TEA & MAJA MAMULA</i>	23
7.	SOCIO-ECONOMIC DETERMINANTS OF TELECOMMUNICATION DEVELOPMENT IN INDIA: AN INTER-STATE ANALYSIS <i>NEENA & KAWALJEET KAUR</i>	30
8.	INTEREST RATE AND UNEMPLOYMENT NEXUS IN NIGERIA: AN EMPIRICAL ANALYSIS <i>ABDURRAUF IDOWU BABALOLA</i>	42
9.	CORRELATION BETWEEN CORPORATE GOVERNANCE PRACTICES AND FINANCIAL PERFORMANCE OF THE COMPANY: CASE OF 5 INTERNATIONALLY ACCLAIMED INDIAN FIRMS <i>SHWETA SATUA</i>	46
10.	FINANCIAL CAPACITY AND ITS EFFECT ON IMPULSE BUYING BEHAVIOUR: AN ON-FIELD STUDY AT LULU INTERNATIONAL SHOPPING MALL, KOCHI <i>JITHIN RAJ R & ELIZABETH JACOB</i>	50
11.	INCREASING AND CHANGING ROLE OF MANAGEMENT ACCOUNTING IN CAPTURING THE VOICE OF CUSTOMERS <i>MANMEET KAUR & RAVINDER KAUR</i>	55
12.	GENDER BUDGET STATEMENT: IS THE BIG BEAUTIFUL <i>MASROOR AHMAD</i>	60
13.	CREATING AN OPTIMAL PORTFOLIO ON S&P BSE SENSEX USING SHARPE'S SINGLE INDEX MODEL <i>HETAL D. TANDEL</i>	64
14.	INNOVATION IN RURAL MARKETS: A CASE STUDY OF PROJECT SHAKTI BY HUL <i>CHIRAG V. ERDA</i>	69
15.	TEA INDUSTRY IN INDIA: AN OVERVIEW <i>DR. R. SIVANESAN</i>	71
16.	IMPACT OF WOMEN EDUCATION ON CHILD HEALTH <i>NUPUR KATARIA</i>	77
17.	VIABILITY AND SUSTAINABILITY OF THE EUROPEAN UNION IN LIGHT OF THE TOURISM INDUSTRY <i>BIVEK DATTA</i>	84
18.	AUTHENTIC LEADERSHIP PRACTICES AND TRUST <i>AMOGH TALAN</i>	89
19.	FOSTERING MUTUAL COEXISTENCE AMONG ETHNO-RELIGIOUS GROUPS IN NIGERIA TOWARDS SUSTAINABLE DEVELOPMENT BY THE YEAR 2020 <i>ADEBISI KOLAWOLE SHITTU & ADEKOLA OMOTAYO AJIBIKE</i>	93
20.	THE EFFECT OF CLIMATIC SHOCKS ON AGRICULTURAL PRODUCTION AND FOOD SECURITY IN TIGRAY (NORTHERN ETHIOPIA): THE CASE OF RAYA AZEBO WOREDA <i>GIRMA BERHE</i>	98
21.	A NOTE TOWARDS FINDING A BUYBACK CONTRACT PRODUCING CLOSE RESULT TO A GIVEN QUANTITY FLEXIBILITY CONTRACT <i>SHIRSENDU NANDI</i>	104
22.	DIRECT TAX CODE IN INDIA: A MAJOR TAX REFORM FOR THE EMERGING ECONOMY <i>RAKESH, C & MANJUNATHA, K</i>	107
23.	PERFORMANCE OF INDIVIDUAL BOREWEL PROGRAMME IN KARNATAKA: WITH SPECIAL REFERENCE TO SCs AND STs <i>DR. RAJAMMA.N</i>	113
24.	EMPLOYMENT IN HARYANA: WHAT DOES THE LATEST DATA SHOWS? <i>ANNU</i>	115
25.	ALGERIAN SMES AMIDST ECONOMIC REFORMS AND GOVERNMENT SUPPORT <i>AISSA MOSBAH & ROCHDI DEBILI</i>	117
26.	CORRUPTION WITHIN EDUCATION SECTOR: A TYPOLOGY OF CONSEQUENCES <i>MOHAMED DRIDI</i>	122
27.	GROWTH EVALUATION OF SELECTED COMMERCIAL BANKS IN PALESTINE <i>MOHAMMED MALI</i>	127
28.	JOBLESS GROWTH IN INDIA IN 2000's <i>JAGANATH BEHERA</i>	131
29.	FOOD PROCESSING AND VALUE ADDITION: THE PATHWAY TO AGRICULTURE SUSTAINABILITY <i>SREEJA MOLE.S</i>	134
30.	AGRICULTURAL MARKETING REFORMS IN INDIA <i>SHIKHA MAKKAR</i>	138
	REQUEST FOR FEEDBACK & DISCLAIMER	145

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

CO-ORDINATOR

DR. BHAVET

Faculty, Shree Ram Institute of Business & Management, Urjani

ADVISORS

DR. PRIYA RANJAN TRIVEDI

Chancellor, The Global Open University, Nagaland

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. SAMBHAV GARG

Faculty, Shree Ram Institute of Business & Management, Urjani

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SIKANDER KUMAR

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

PROF. SANJIV MITTAL

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

PROF. RAJENDER GUPTA

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

PROF. NAWAB ALI KHAN

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

PROF. S. P. TIWARI

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

DR. ANIL CHANDHOK

Professor, Faculty of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

DR. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

DR. SAMBHAVNA

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

DR. MOHENDER KUMAR GUPTA

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

DR. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

DR. SHIVAKUMAR DEENE

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

ASSOCIATE EDITORS

PROF. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

SHASHI KHURANA

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

SUNIL KUMAR KARWASRA

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

DR. VIKAS CHOUDHARY

Asst. Professor, N.I.T. (University), Kurukshetra

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 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/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' _____ ' for possible publication in your journals.

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

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:
Affiliation with full address, contact numbers & Pin Code:
Residential address with Pin Code:
Mobile Number (s):
Landline Number (s):
E-mail Address:
Alternate E-mail Address:

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of 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 required to be below **500 KB**.
- e) Abstract alone 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 and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **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 stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

INTRODUCTION**REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESES****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****SCOPE FOR FURTHER RESEARCH****ACKNOWLEDGMENTS****REFERENCES****APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **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.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **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 are supposed to follow **Harvard Style of Referencing**. 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 italics. 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 parentheses.
 - The location of endnotes within the text should be indicated by superscript numbers.

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, 19-22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- 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 Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

GROWTH EVALUATION OF SELECTED COMMERCIAL BANKS IN PALESTINE

MOHAMMED MALI
RESEARCH SCHOLAR
DEPARTMENT OF COMMERCE & BUSINESS ADMINISTRATION
UNIVERSITY OF ALLAHABAD
ALLAHABAD

ABSTRACT

Banks are Financial Institutions which act as pillars of the economic system as they are the main source of finance. The present study analyzes the Growth and Development of selected commercial banks in Palestine. The Growth has been analyzed through Assets, Liabilities, Credit facilities, Customer Deposits, Net profit, Number of Employees, and Number of Branches during the period 2008-2012. Least square method and coefficient correlation are applied as statistical tools to analyze the Growth and Development of selected banks in Palestine. The r^2 of branches and number of employee more than 0.5 It indicates very bright in selected banks.

KEYWORDS

Palestine Banks, Growth, Total Assets, Net Profits, Customer Deposits, r^2 , Credit facilities.

1. INTRODUCTION

Banks in Palestine is like a heart in the economic structure and the capital provided by it is like blood in it, hence if the finance is not provided to the sectors like agriculture and industrial sector it will destroyed. The role of banking system in Palestine economy has increased dramatically. Banks reforms since 1994 have played an important role in the development of lending agriculture and international trade. In developing country like Palestine, The banking system as a whole plays a vital role in progress of economic development. Banks are financial institution that accept deposits and channel these deposits into lending activities either directly by lending or indirect through capital market. A bank links together customers that have capital deficits and customer with capital surplus.

In the present scenario economic development is impossible without banking services. A number of recent studies indicates that the banks sector play a more important role than it was believed earlier (world bank, 1996 Almedyda). The motivation of conducting this study is that only a few studies have analyzed the Growth of Palestinian Banks.

2. REVIEW OF LITERATURE

Though not much work has been done on the growth and development of commercial banks in Palestine. Some of the work conducted by eminent scholars are deliberated her with in order to have a glimpse and also to bring about the research gape that exist between their thoughts and the present work. **Sangami, m.u and tabssum nazir,(2010)**. Made an effort to evaluate the financial performance of the two major banks operating in northern India by using CAMEL Parameters.. Through this model, it is highlighted that the position of the banks under study is sound and satisfactory so far as their capital adequacy, asset quality, Management capability and liquidity is concerned. **Jass and Xiaofeng hui(2012)** attempted to compare the financial performance of different ownership structured commercial banks in Nepal based on their financial characteristics and identify the determinants of performance exposed by the financial ratios, which were based on CAMEL Model. Eighteen commercial banks for the period 2005 to 2010 were financially analyzed. In addition, econometric model (multivariate regression analysis) by formulating two regression models was used to estimate the impact of capital adequacy ratio, non-performing loan ratio, interest expenses to total loan, net interest margin ratio and credit to deposit ratio on the financial profitability namely return on assets and return on equity of these banks. The results show that public sector banks are significantly less efficient than their counterpart are; however domestic private banks are equally efficient to foreign-owned (jointventure) banks. **Furthermore, Ho and Zhu (2004)** have reported that the evaluation of a company's performance has been focusing the operational effectiveness and efficiency, which might influence the company's survival directly. **Raza et al., 2011 and Tarawneh, 2006** explained that a company, which has better efficiency, it does not mean that always it will show the better effectiveness. **Alam et al. (2011)** study concludes that ranking of banks differ as the financial ratio changes. **Bakar and Tahir (2009)** in their paper used multiple linear regression technique and simulated neural network techniques for predicting bank performance. ROA was used as dependent variable of bank performance and seven variables including liquidity, credit risk, cost to income ratio, size and concentration ratio, were used as independent variables.

3. OBJECTIVES OF THE STUDY

The objectives of the present research paper is to

1. study and analyze the growth and development of selected commercial banks in Palestine
2. to suggest measure in improving financial performance of sample bank who have indicate negative growth in term of assets, deposits, credit facilities, net profit, number of employee and number of branches.

4. NEED OF THE STUDY

Commercial bank in Palestine play an important role in the economic development in the age of cut throat competition these banks face stiff crisis in the financial management. Hence the present study has been undertaken to study their financial performance in respective of deposits, credit facilities, number of employee, number of branches, net profit and total assets so as to analyze the growth and indicate their weaknesses.

5. METHODOLOGY AND RESEARCH DESIGN

The present study has been carried out to evaluate the growth of selected commercial banks in Palestine. The selected banks in Palestine are Bank of Palestine, Palestine Commercial Bank, Palestine Investment Bank, Quds Bank. The study has been based on secondary data source. These data collected from annual reports of selected commercial banks, Palestinian stock exchange and from relevant articles.

The present study evaluate the Growth for the period 2008-2012 of selected commercial banks in Palestine through various statistical measures like compound annual Growth rate, trend equation (least square method, and square correlation coefficient.

6. PROFILE OF SELECTED COMMERCIAL BANKS IN PALESTINE**6.1 BANK OF PALESTINE**

Bank of Palestine (BOP) is the first and largest bank with a well-diversified branch network of 48 branches in Palestine, and a paid up capital of USD 150 million and assets of over USD 2 billion. Established in 1960, BOP has successfully expanded its presence and operations throughout the country and now has around 1,200 employees serving 600,000 customers. BOP has around 23% market share of deposits and loans in Palestine. Operating as a universal bank, BOP is

engaged in retail, corporate, SME and Micro, and Diaspora banking operations, with the largest card processing operations in Palestine. BOP is the sole agent for issuing and acquiring Visa and MasterCard in Palestine with over 5,000 Point of Sale merchant terminals nationwide

6.2 PALESTINE COMMERCIAL BANK

Palestine Commercial Bank was established in 1992 by a number of Palestinian businessmen, who realized the urgent need for establishing a banking institution that supports and boosts the birth of a viable Palestinian economy. The Bank started to provide its banking services through its main headquarters based in Ramallah in August 1994, with a capital of U.S. \$ 11,255 million, to become one of the first Palestinian banks operating under the Palestinian National Authority.

6.3 PALESTINE INVESTMENT BANK (PIB)

The PIB was established by a group of elite Arab and Palestinian Bankers which are known for their banking superior experience that was gained from their global banking exposure. Palestine Investment Bank P.L.C. was established in Gaza City in Palestine on August 10, 1994 as a public shareholding company with a share capital of U.S. Dollar 20 million, in accordance with the Company's Law of 1929.

PIB started operations during March 1995, and is currently operating through its Head Office in Al-Bireh and its eight branches and five offices located in Ramallah, Nablus, Hebron, Gaza, Jericho, Bethlehem, Bythoni, and Jenen. The capital of PIB has grown incrementally over the past two decades and has reached U.S. Dollar 53 million in outstanding capital and U.S. Dollar 100 million in authorized capital as of Jan 1, 2012.

6.4 QUDS BANK

On April 2nd, 1995 Quds Bank was established as a public share holding company, with a capital of US\$ 20 million divided into 20 million shares, for US\$ 1 a share. On 26/07/2006, the bank's general assembly voted to increase its capital to US \$50 million, with the same nominal value, paid in full. The bank practices its business activities through its headquarter located in Ramallah, Al Massiyoun, as well as its various branches and offices spread all over the country.

7. GROWTH EVALUATION OF SELECTED BANKS IN PALESTINE

Table one: show the Growth of Total Assets of selected banks. The highest growth in Total assets Bank of Palestine 21%, the lower growth Quds bank 2.8%. And the second highest growth in total assets Palestine Commercial Bank 10%, and the second low growth in total assets Palestine Investment Bank 6.2%

Table two: indicates the growth in credit facilities of selected banks in Palestine .the highest growth in credit facilities bank of Palestine 35% and the second highest Palestine Commercial bank 31% and the lower growth Quds Bank 1.5% but in 2011 it was the highest growth 44% .

Table three: show the growth in customer deposits. The highest growth in 2012 bank of Palestine 20% but in 2010 the higher growth it was in Quds bank 42%, also in 2009 the growth it was 38%. The lower growth in customer deposits Palestine Commercial bank 4.4%.

Table four: show the growth in net profits in selected commercial banks in Palestine. The highest growth in net profits in 2010 for the Quds bank 64%, and Palestine Investment bank 63% in 2011. but in 2012 the lower growth Palestine commercial bank (-89)%.

Table five: show the growth in number of employee. The highest growth in number of employee in Quds bank in the year 2010 it was 36% and the lower growth in 2012 it was 0.9% in Palestine investment bank.

Table six: Growth of number of branches of Selected Bank in Palestine. The highest growth in 2011 in Quds bank 41%, and the second highest Palestine commercial bank in 2011 it was 16%. there is no growth at all in 2010, 2011, 2012 in number of branches.

Table seven: shows the trend equation and r^2 of total assets of selected commercial banks in Palestine. It is observed that the trend equation and r^2 in all banks less than 0.50 that's mean negative indicates in selected banks.

Table eight: shows the trend equation and r^2 of credit facilities of selected commercial banks in Palestine. Its reflect from the table that the trend equation and r^2 of all the selected banks are less than 0.50.

Table nine: shows the trend equation and r^2 of customer deposits of selected commercial banks in Palestine during the period 2008-2012. the trend equation in all the banks less than 0.50, this it gives negative indicators.

Table ten: shows the trend equation of net profit of selected commercial banks in Palestine bank of Palestine it gives positive indicators .0.99, while the three banks less than 0.50

Table eleven: shows the trend equation in number of employee of selected banks in Palestine. The table reflects that all the selected banks are positive and goodness of fit of all the equations is high more than 0.50.

Table twelve: shows the trend equation and r^2 of selected commercial banks in Palestine during the period 2008-2012. All the banks are good and positive which means more than 0.50 but Palestine commercial bank less than 0.50.

8. CONCLUSION

Commercial banks play an important role in the economic development of the country. The present study attempts to analyze the financial performance of selected commercial banks in Palestine on parameters like total assets, credit facilities, deposits, number of employee, number of branches, and net profit. The study based on secondary data gathered from annual report of selected banks. The analyzes of data reveals that in case of total assets bank of Palestine indicated the highest growth 21% while Palestine investment bank showed the growth 6.2% only. in case of customer deposits Palestine investment bank shows tremendous growth rate from (-13%) in 2011 to 17% in 2012 while Quds bank has indicated a decline in growth rate from 9% in 2011 to 5.8% in 2012. Credit facilities being important parameters in analyzing the financial performance of commercial banks. The secondary data analyzes that in case of Palestine investment bank the compound annual growth rate increase from (-17%) in 2011 to 20% in 2012, while in case of Quds bank the annual growth rate of credit facilities 44% in 2011 to 1.5% in 2012.

Profitability an important indicator of financial performance in respect of commercial banks in Palestine. The secondary data reveals that all the sample of commercial banks except who showed negative growth rate in regard of profitability. Hence the other commercial banks have to adapt measures which can increase the profitability there why overcoming their financial crisis. In order to increase the profitability more credit should be provided along with increase in branches. The revenue of the form of interest should be enhanced by proper credit mechanism.

On the basis of the above analyzes its conclude that the financial performance of bank of Palestine its far more better than other sample banks. Hence its suggested that quds bank and Palestine investment bank and Palestine commercial bank should adapt the financial polices and strategies of bank of Palestine.

REFERENCES

1. Alam HM, Raza A, Akram M (2011). A financial performance comparison of public vs private banks: The case of commercial banking sector of Pakistan. Int. J. Bus. Soc. Sci., pp.56-64.
2. Bakar N, Tahir IM (2009). Applying multiple linear regression and neural network to predict bank performance. Int. Bus. Res. pp.176-183.
3. Ho C, Zhu D (2004). Performance measurement of Taiwan commercial banks. Int. J. Product. Perform. Manag. pp.425-434.
4. Jhas, and xiaofeng hui(2012) a comparison of financial performance of commercial banks :a case study of Nepal ,African journal of business management .pp7601-7611.
5. Raza A, Farhan M, Akram M (2011). A comparison of financial performance in investment banking sector in Pakistan. Int. J. Bus. Soc. Sci., pp.72-81.
6. Sangmi, m.u.d and tabsum nazir, (2010), analyzing financial performance of commercial banks in india :application of CAMEL model .pak.j.co mmerce.s oc.sci.pp40-55.

WEBSITES

7. <http://www.bankofpalestine.com>
8. <http://www.pcb.ps>
9. <http://www.pibbank.com>
10. <http://www.qudsbank.ps>

APPENDICES

TABLE ONE: GROWTH IN TOTAL ASSETS OF SAMPLE BANKS

Name of banks	Total Assets \$				
	2012	2011	2010	2009	2008
Bank of Palestine	2004494095	1653960732	1545038022	1283017502	1045622629
Compound annual growth rate %	21	7	17	17	
Palestine commercial bank	186169212	168803636	171495617	132031209	105342175
Compound annual growth rate%	10	(-1.5)	30	25	
Palestine investment bank	258689765	243475131	265367906	245620515	214612000
Compound annual growth rate%	6.2	(8.2)	8	14	
Quds bank	480906793	467680177	426533834	330132209	259549161
Compound annual growth rate %	2.8	9.6	29	27	

Source: Annual reports of selected banks

TABLE TWO: GROWTH IN CREDIT FACILITIES OF SAMPLE BANKS

Name of banks	Credit Facilities \$				
	2012	2011	2010	2009	2008
Bank of Palestine	976394928	720173048	545026391	343311230	285337011
growth rate %	35	3	23	10	
Palestine commercial bank	74159491	56448400	49491743	31987045	14958238
growth rate%	4.4	2.3	25	19	
Palestine investment bank	95120970	78771670	95463305	81098530	51426546
growth rate%	17	(13)	20	7.8	
Quds bank	292863010	288376020	198950665	121188598	128520482
growth rate%	5.8	9.9	42	38	

Source: Annual reports of selected banks

TABLE THREE: GROWTH IN CUSTOMER DEPOSITS OF SAMPLE BANK

Name of banks	Customer Deposits \$				
	2012	2011	2010	2009	2008
Bank of Palestine	1488572164	1242780471	1205950955	978947595	882395677
growth rate %	20	3	23	10	
Palestine commercial bank	110521917	105821447	103355452	82700002	69628808
growth rate%	4.4	2.3	25	19	
Palestine investment bank	138053319	117637453	136018695	112899089	104713597
growth rate%	17	(13)	20	7.8	
Quds bank	334256777	315726133	287215750	201805306	145703490
growth rate %	5.8	9.9	42	38	

Source: Annual reports of selected banks

TABLE FOUR: GROWTH IN NET PROFITS OF SAMPLE BANKS

Name of banks	Net profits \$				
	2012	2011	2010	2009	2008
Bank of Palestine	38347397	33980632	30119469	26929168	23610956
growth rate %	13	13	12	14	
Palestine commercial bank	62167	589127	1794022	2001967	217038
growth rate%	(89)	(67)	(10)	8.2	
Palestine investment bank	1826277	2552984	1569530	2928340	2949311
growth rate%	(28)	63	(46)	(7)	
Quds bank	3267925	4581794	4404155	2677253	5971848
growth rate %	(28)	4	64	(55)	

Source: Annual reports of selected banks

TABLE FIVE: GROWTH IN NUMBER OF EMPLOYEES OF SAMPLE BANKS

Name of banks	Number of Employees				
	2012	2011	2010	2009	2008
Bank of Palestine	1139	1061	943	864	752
growth rate %	7.3	12	9	15	
Palestine commercial bank	148	143	137	117	110
growth rate%	3.4	4.3	17	6.3	
Palestine investment bank	236	234	219	179	162
growth rate%	8.5	6.8	22	10	
Quds bank	450	448	353	258	215
growth rate %	4.4	27	36	2	

Source: Annual reports of selected banks

TABLE SIX: GROWTH IN NUMBER OF BRANCHES OF SELECTED SAMPLE BANKS

Name of banks	Numbers of Branches				
	2012	2011	2010	2009	2008
Bank of Palestine	48	46	42	40	32
growth rate %	4.3	9.5	5	25	
Palestine commercial bank	7	7	6	6	6
growth rate%	0	16	0	0	
Palestine investment bank	9	9	9	9	8
growth rate%	0	0	0	12	
Quds bank	18	17	12	12	12
growth rate %	5.8	41	0	0	

Source: Annual reports of selected banks

TABLE SEVEN: TREND EQUATION AND R² OF TOTAL ASSETS

Name of banks	Y=a+bx	R ²
Bank of Palestine	1506426596+228868616.2x	0.12
Palestine commercial bank	152768369.8+19842650.1x	0.12
Palestine investment bank	24555306.4+8601014.6x	0.0003
Quds bank	392960435+58026323.2x	0.14

TABLE EIGHT: TREND EQUATION AND R² OF CREDIT FACILITIES

Name of banks	Y=a+bx	R ²
Bank of Palestine	574048522+175897765.2x	0.2
Palestine commercial bank	45408983+14286386.1x	0.11
Palestine investment bank	80376204+8506198.8x	0.0003
Quds bank	564090955+49587247.8x	0.095

TABLE NINE: TREND EQUATION AND R² OF CUSTOMER DEPOSITS

Name of banks	Y=a+bx	R ²
Bank of Palestine	1159705372+147594585x	0.42
Palestine commercial bank	94405525+10490766.3x	0.37
Palestine investment bank	121864431+7141780.8x	0.12
Quds bank	256941491+49102740.1x	0.15

TABLE TEN: TREND EQUATION AND R² OF NET PROFITS

Name of banks	Y=a+bx	R ²
Bank of Palestine	30597524.4+3652434.6x	0.99
Palestine commercial bank	932864.2-172258.2x	0.09
Palestine investment bank	1971073.558-262142.4x	0.42
Quds bank	9180595-350330.5x	0.19

TABLE ELEVEN: TREND EQUATION AND R² OF NUMBER OF EMPLOYEES

Name of banks	Y=a+bx	R ²
Bank of Palestine	951.8+97.1x	0.99
Palestine commercial bank	131+10.2x	0.93
Palestine investment bank	206+20.3x	0.91
Quds bank	344.8+66x	0.94

TABLE TWELVE: TREND EQUATION AND R² OF NUMBER BRANCHES

Name of banks	Y=a+bx	R ²
Bank of Palestine	41.6+3.8x	0.92
Palestine commercial bank	6.4+.3x	0.74
Palestine investment bank	8.8+.2x	0.49
Quds bank	14.2+1.7x	0.78

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 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, nor 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 is 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

