
Editorial

Kiran Mehta*, Renuka Sharma and Sandhir Sharma

Chitkara Business School,
Chitkara University,
Chandigarh-Patiala National Highway (NH-64), Punjab, 140-401, India
Email: ujjawala.kiran@chitkara.edu.in
Email: bhavya.renuka@chitkara.edu.in
Email: sandhir@chitkara.edu.in
*Corresponding author

Biographical notes: Kiran Mehta is a Professor (Finance) at Chitkara Business School, Chitkara University, Punjab (India). She has more than 15 years of teaching and research experience. Her research areas include security analysis, corporate finance, market efficiency, venture capital, social responsibility and ethical finance, financial inclusion, innovation and SMEs. She has several papers to her credit published by Emerald, Sage, Springer and Elsevier. She has authored a book titled *Financial Services* published by Cengage India Ltd. She is also a member of the reviewer board of several reputed journals. She is providing consultancy to SMEs and start-ups in business modelling, business development and other strategic issues related to finance.

Renuka Sharma is Professor (Finance) at Chitkara Business School, Chitkara University, Punjab (India). She has more than 15 years of teaching and research experience. She has completed various research consultancy projects funded by Government of India. She is an author of the book on *Financial Services* by Cengage Publication and developed 15 plus study material on different finance topics. Her research areas include security analysis, corporate finance, market efficiency, portfolio management, innovation and SMEs, responsible investing, venture capital, and corporate governance. She has several papers to her credit published by Emerald, Sage, Springer, SCOPUS and Elsevier. She is also a member of the reviewer board of several reputed journals.

Sandhir Sharma is a Professor of Strategic Management with nearly 20 years of experience in higher education and five years in telecom industry. With more than 43 research papers to his credit published in various journals and conferences at national and international level, he has developed his core expertise in the area of strategy formulation. His research has widely published in various newspapers. He is currently serving as the Dean of Chitkara Business School and Visiting Faculty to Binus University, Indonesia and University of Applied Sciences, Osnabruck, Germany. He is serving as a Consultant to various SME organisations in the area of strategy formulation. He is an active member of various management associations and university bodies.

It gives us immense pleasure to convey this special issue on 'Recent trends and innovation in banking and finance' as guest editors. The creation of this special issue is the zenith of Second International Conference on Banking & Finance (ICBF) – 2019

which was organised by Chitkara Business School, Chitkara University, Punjab, India. The two-day conference endorsed a wide range of papers being presented by conference participants and healthy debates materialised on the recent trends and innovation in banking and finance during several technical sessions. As a design, some selected papers presented in the conference were requested to be submitted for the special issue and after a standard procedure of review process followed by *International Journal of Business and Globalisation*, a total of 13 papers accepted for publication. Together, these 13 papers deliberate various issues proximate and elucidating different dimensions of trends and innovation in finance and banking sector and their impact on different stakeholders.

The first article titled, 'Are bitcoin prices isolated or co-integrated?' is authored by Vishal Vyas, Kiran Mehta and Renuka Sharma. This paper has cited the tradability of bitcoins across the globe. The authors have made an attempt to obtain empirical evidences of relationship between bitcoin price series and exchange rate of four currencies in terms of US dollar, i.e., relation between bitcoin price in terms of USD and exchange rate of EURO-USD, BRITISH POUND-USD, USD-JAPENSE YEN, and USD-KOREANWON.

The second article, titled, 'The interaction of rate schedule and tax revenue: an evaluation of the Laffer effect' is authored by Arun Sharma and Jaspal Singh. This study is an attempt to examine the said relationship between tax rate and income tax revenue in the Indian context. The statistical results upheld the applicability of the Laffer effect in the Indian context. The findings provide suggestive responsive measures for the policy makers and practitioners.

The third article is titled, 'How mobile banking resistance behaviour affects financial inclusion in India?', authored by Kiran Mehta and Asha Rani. This research pinpointed how mobile technology revolution will contribute greatly to financially include the largely unbanked strata of Indian society. The current study addresses two research questions. One, what are the factors of resistance behaviour for use of mobile banking? Two, what is the impact of mobile banking resistance behaviour on financial inclusion? The study is unique in terms that it has made an attempt to examine the impact of mobile banking resistance behaviour on the financial inclusion.

The fourth article is titled, 'Do central bank actions curb exchange rate volatility?', authored by Abdul Rishad and Sanjeev Gupta. The results suggest significant influence of purchase intervention on exchange rate level as compared to that of sale intervention. Similarly, liquidity injection operations increased volatility, while liquidity absorption activities decreased it. Overall, the study presents empirical evidence for 'leaning against the wind' and 'fear of appreciation' policy in RBI's intervention operation.

The fifth article is titled, 'Corporate governance and performance of Indian companies: the effect of board size and ownership structure', authored by Renuka Sharma and Archana Goel. The study has tried to accomplish the relationship between corporate governance and firm performance by scrutinising the effect of board size as well as ownership structure on the performance of 229 companies over the duration of 16 years, i.e., 1st April, 2001 until 31st March, 2017. The study found affirmative effect of board size, promoter and institutional holdings on the performance of the companies and has implications for companies, institutions and regulators.

The sixth article is titled, 'Causality between equity mutual fund flows, stock market return and volatility: Indian evidence', authored by Inderjit Kaur and Kamal Vagrecha. This study examines the causal relationship between equity mutual fund flows, and stock market's performance and volatility with vector auto regression (VAR) methodology. The important implication of the study is explanation of confidence among Indian investors (in 2018) for equity mutual funds.

The seventh article is titled, 'Service innovation and delivery as antecedents of satisfaction and loyalty: a study of Indian retail banking', authored by Ishfaq Hussain Bhat. A sample of 400 bank customers who had availed innovative services was chosen with the help of a purposive sampling technique. The findings of the study reveal that service innovation has a direct impact on service delivery and satisfaction.

The eighth article is titled, 'A test of the weak form of efficient market hypothesis in Indian Stock Market using momentum and contrarian effect', authored by Ramandeep Kaur and Rubeena Bajwa. The current study intended to analyse efficiency of Indian stock market. The portfolios (momentum and contrarian) were framed over the 11 years study period, i.e., from April 2006 to March 2017 using monthly returns of BSE 500 listed stocks. The results of the study will be a potential source for portfolio managers who are utilising or endeavouring to utilise to use the momentum and contrarian investment strategy.

The ninth paper is titled, 'Factor influencing leveraging decision of Indian companies: evidence from panel data analysis', authored by Kanika Sachdeva and Abhishek Agarwal. The study concluded that all factors except tangibility are significantly impacting the leveraging decision in all companies. In the case of companies who are into existence for more than 40 years, all factors are significant except liquidity whereas, all variables are significant except for profitability and tangibility in the case of companies, which are into existence for less than 40 years.

The tenth paper is titled, 'Demographic determinants and preference regarding dividend announcements – a study of selected individual investors', authored by Dinesh Tandon and Nidhi Walia. The purpose of this paper is to analyse the effect of demographic determinants on the preferences of individual investors regarding dividend announcements in Punjab (India).

The eleventh article is titled, 'Examining the relationship between management quality certifications and long-run performance of initial public offerings: a study of banking, financial services and insurance sector in India', authored by Balpreet Singh and Kapil Gupta. The results obtained through regression analysis depicts professional association of board members significantly influencing IPO performance, whereas, the education level of board members, presence of foreign directors and director's diversity moderately influence the long-run performance of sample public issues

The twelfth article is titled, 'A study of DuPont model: its application and identification of key determinants for public limited companies' authored by Smita Jape and Meenakshi Malhotra. This study has used DuPont model on large dataset of 13,189 companies and empirically tested the validity of said model for financing, operating and investing decisions.

And the thirteenth article is titled, 'Comparing service quality of internet banking services in rural and urban areas of Punjab', authored by Amandeep Singh and Jyotsna Sharma. Their research found a significant difference in service quality of internet banking services in rural and urban areas of Punjab state of India.

To conclude, the aforesaid articles have addressed several critical issues related to present revolutions and innovations proceeding in banking and finance and stipulate valuable insight for practitioners and academicians working in these fields.

We wish the readers of *IJBG* the very best with this special issue, and look forward to hearing your feedback and suggestions, if any.