Editorial

It is my pleasure to bring you the October-December 2019 issue of PRAJNAN. As you are aware, PRAJNAN – The Journal of Social and Management Sciences is brought out by the National Institute of Bank Management (NIBM), Pune. PRAJNAN is a quarterly double-blind refereed journal of social and management sciences with special reference to banking and finance. Addressed to bank and financial management professionals, researchers and academics, PRAJNAN aims to engage rigorously for exchanging original research-based ideas, practices, concepts in the field of banking and finance. Established in 1972, PRAJNAN is mainly devoted to the publication of original research papers that have high academic and professional standards to the readers and our endeavour will continue. The journal is indexed and abstracted in EBSCO, ProQuest and Indian Citation Index. I look forward to your active participation and support for the journal.

In this issue, we present four full research articles and two book reviews.

The first paper by, "Bank Consolidation in India: An Empirical Study to Identify Leading Indicators of Acquired Banks", Onkar Shivraj Swami, Arindam Sarkar and Jyoti Prakash Sharma investigates the determinants of bank mergers. The likelihood of being a target in an acquisition deal has been modelled using logit regression method. The bank-level panel data analysis and comparison of target banks with the non acquired banks reveals that banks with relatively higher capital, poor asset quality, and lesser profitability, with adequate liquidity but with lower efficiencies are more likely to be the targets of the acquirers. The study finds that established CAMEL and other banking variables may serve as the possible determinants of bank being acquired in Indian scenario. Banks play an important role in the credit intermediation process in India. It is worthwhile to mention that the purpose of bank mergers is not only to reap benefit of economies of scale but to have pan India presence and leveraging the brand value of banks to serve the nation better.

In the second paper, "Antecedents of Adoption of Mobile Banking by the Generation Y Consumers", Sreelakshmi C C and Sangeetha K Prathap have used the theory of Diffusion of Innovation (DOI) to explain the attitude of generation Y customers towards mobile banking. Analysis is done on the basis of a survey conducted by the authors. The paper has specified structural equation model and applied factor analysis technique to identify key variables (like trust, compatibility) influencing mobile banking adoption.

In the third paper, "Achieving the Target of Complete Financial Inclusion in India through Financial Technologies", Arindam Sarkar and Onkar Shivraj Swami utilizes global financial inclusion index to know the depth of FinTech reach in India and its impact. The study aims to identify those segments of financially excluded population of Indian economy that can be catered through financial technologies. The authors find that bank accounts that do not have transactions and unbanked population segment may be appropriate for effective FinTech inclusions. These people live far away from
formal banking channels due to higher cost, lack of trust on institutional sources of finance or lack of access. The key findings of the paper contribute to the existing literature on financial inclusion through adoption of financial technologies.

In the fourth paper, "Linkages Between Futures and Spot Prices: A Study of Bombay Stock Exchange Sensitive Index (BSE)" Manjinder Kaur has empirically investigated the temporal relationship and price discovery mechanism between spot market and futures market using long daily time series data. The author has found that Spot and Future prices are cointegrated and there exists a long term relationship between two series. The study provides empirical evidence that long-run causality is more pronounced from futures than the spot prices. The author concludes that futures have greater contribution to price discovery and equilibrium correction in the long run. The study suggests greater degree of transparency in stock market transactions is essential to attain greater market efficiency.

Shri B V Chaubal, former DMD, SBI and visiting faculty of NIBM reviews the book titled “The Whole Brain Leader – 8 Dimensional Approach” authored by Ingvar Jonsson and Sjoerd De Waal; published by Sage.

The editor has reviewed the book titled “Transformation of Public Sector Banks in India – The Challenges in the Journey” authored by K Srinivasa Rao; published by Notion Press.

We invite new submissions in the field of financial management (equity, foreign exchange, risk, capital and balance sheet), development economics (financial inclusion, microfinance) and human resource management (competency mapping, HR development) for our forthcoming issues.

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