

**July-September, 2022**  
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## **Editorial**

It is my pleasure and privilege, as the new Editor, to present the July-September issue of our flagship journal, Prajnan (Vol. 51, No. 2). I am also delighted to introduce my editorial team members, Dr Dipali Krishnakumar, Dr Gargi Sanati and Dr Smita Roy Trivedi. With the support of our Editorial Advisory board, publications team, authors, reviewers and readers, the journal has gone from strength to strength, in the past. I am sure that your active participation, encouragement and advice will enable us to scale new heights, in the years to come.

I also wish to put on record my sincerest appreciation for the stellar performance of my predecessor, Dr Arindam Bandyopadhyay, for almost a decade. His tireless efforts as the editor of Prajnan, along with the active involvement of the editorial and publications teams, ensured that the journal made considerable progress during his tenure. Prajnan is now indexed and abstracted in EBSCO, ProQuest and Indian Citation Index. It is also included in the UGC CARE list of approved academic research journals. We request you to send your comments and suggestions on how further improvement in journal quality and outreach can be made, in the future.

In this issue, we offer three full-length papers and a brief article. The first one is titled **“Determinants of Bank Deposits – A Study with Special Focus on Bank Ownership”**, by Anjali Saini. It tries to identify the factors that drive deposit growth at Indian banks. It concludes that past deposit growth has a positive impact on the current growth rate, while past NPAs have an adverse influence. Public sector banks are found to experience slower deposit growth rates. However, larger PSBs have higher rates of deposit growth. This paper raises important questions on bank ownership, asset size and the interaction between liquidity and credit risks.

The next paper is titled **“Determining Factors to Participate in Micro Pension Scheme Among Informal Sector Workers in Odisha”** by Jeeban Jyoti Mohanty and Sudhakar Patra. It conducts a study on a large number of clients and non-clients, of micro-pension schemes, in three districts of Odisha. It finds that the rate of participation depends both on demographic and socio-economic factors. In particular, while caste and annual income have a positive influence on the rate of participation in rural areas, they are not significant in urban areas. The implication is that, if micro-pension schemes are designed with due weightage to area-specific traits, the chances of success are higher.

The third paper is titled **“Analysing and Validating the Model for Work Style of Employees in Private Sector Banks in India”**, by M Selvakumar, K Raja and R Mohammed Abubakkar Siddique. The study aims to identify important factors which influence employee work styles at Indian private sector banks. It shows that Autonomous Work and Colleague Support are the most important factors. Most of them are able to balance their work style, through appropriate behavioural changes. The study has important implications for efficiency enhancement of employees at private sector banks.

We also present a brief article titled “**How do Venture Capital Investors Select Proposals: An Evidence from India**”, by Mohammad Mustafa. This study tries to identify the factors which venture capital investors prioritize, when they evaluate proposals. This paper shows that leadership quality, product and service excellence *vis-à-vis* peer firms, revenue projection and access to export markets are important determinants of venture capital investment decisions. This study can help firms improve those traits which attract venture capital investments.

The final piece is a review of the book *Cultivating Democracy – Politics and Citizenship in Agrarian India* by Mukulika Banerjee. It has been reviewed by Dr Arun U Gadewar, former Professor, National Institute of Bank Management, Pune. The review elicits the unique features and strengths of the book.

We invite original research articles in all areas of banking and finance. Please submit your papers, comments and suggestions to **editor\_prajnan@nibmindia.org**

With warm regards,

**Dr Sanjay Basu**

Editor, Prajnan, Professor of Finance and Dean (Research), NIBM, Pune.

## **Determinants of Bank Deposits – A Study with Special Focus on Bank Ownership**

**Anjali Saini**

This study examines the determinants of bank deposits with special focus on bank ownership. The study uses the data of 39 commercial banks of India for the period 2001-2020. System GMM is used to analyse the impact of various factors on the volume of bank deposits. The log of the aggregate deposits of a bank is used as a dependent variable in this study. Independent variables include lagged value of the dependent variable, average term deposit Rate, lagged value of NPA ratio, number of branches, ownership dummy and an interaction term between ownership dummy and bank size. Empirical results revealed that deposit rates and branches have insignificant impact on volume of bank deposits and lagged value of NPAs and ownership dummy have significant negative impact. However, the main finding of this study is that the size of the banks would influence the impact of ownership on the volume of deposits.

## **Determining Factors to Participate in Micro Pension Scheme Among Informal Sector Workers in Odisha**

**Jeeban Jyoti Mohanty**  
**Sudhakar Patra**

The study attempts to analyze the socio-economic factors that influence the informal sector workers to participate in the Micro pension scheme in Odisha. Using the data of 715 micro pension clients and non-clients from three districts of Odisha, the study found that there is a significant relationship between willingness to participate in Micro pension with their demographic and socio-economic characteristics. A logistic regression model is used in this study, which indicated that age, gender, caste, education, annual income, annual saving, and number of children of a client are determining factors for willingness to participate in the micro pension scheme in Odisha. The paper concluded that if designed and executed properly, micro pensions can help informal sector workers to provide them a secure and dignified life during their old age and lift them out of the poverty trap.

## **Analysing and Validating the Model for Work Style of Employees in Private Sector Banks in India**

**M Selvakumar**  
**K Raja**  
**R Mohammed Abubakkar Siddique**

India is one of the fastest developing countries in the world. The economic progress of a country depends on the proper functioning of the Banking Industry. The success of the banking industry depends on the employees of the banks. Here, the study aims to identify important factors influencing employees' work styles of private sector banks. Work style is the way of performing the work. The required data for the study is collected from all the 496 employees working in private sector banks in the study

area. Factor Analysis, Cluster Analysis, and Chi-Square test have been applied. The analysis shows that Work Autonomous and Support from Colleagues are dominating factors of work style. Cluster Analysis depicts that most of the employees have monarch behaviour, and they can balance their work style. The behaviour of employees has an impact on the level of balance of work style. The study also suggests some possible implications.

## *A Brief Article*

### **How do Venture Capital Investors Select Proposals: An Evidence from India**

**Mohammad Mustafa**

The purpose of this paper is to explore the parameters, which venture capital investors prioritize while evaluating proposals. The deal selection procedure in actuality is different from the said procedure Zacharakis and Meyer (1998). Therefore, asking Venture Capital (VC) firms to rank each criterion that they use while evaluating a proposal will not be able to capture the true evaluation criteria. Further, VCs' decision varies based on the set of deals on their table. To address this problem, VCs should be asked to reveal the strength and weaknesses of the received proposals in each parameter and then their final decision on those proposals. Therefore, this study examines the decision-making criteria with reference to 441 samples of accepted and rejected proposals. This paper reveals that leadership quality, product/service superiority, revenue projection, and access to foreign market are strong determinant of VCs investment decision. Hence, in deal selection procedure, venture capitalists can reduce their evaluation process to these parameters only. In developing countries like India, availability of information regarding start-ups is highly asymmetric. Therefore, considering a proposal based on these most important parameters will enhance their decision-making process.

### **Book Review**

#### **Cultivating Democracy – Politics and Citizenship in Agrarian India**

**Mukulika Banerjee**

New York, Oxford University Press, 2022, pp. xiv + 237, Rs. 995

*Reviewed by* **Dr Arun U Gadewar**, former Professor, National Institute of Bank Management, Pune.