

Dependences in Stock Markets of South Asia : India, Sri Lanka and Pakistan

- *R S Dhankar, Madhumita Chakraborty*

The study examines both linear and non-linear dependence in the stock returns of three major South Asian countries – India, Sri Lanka and Pakistan by using their daily indices. The results of Variance Ratio test strongly suggest the presence of linear dependence in these markets. Further, the examination of non-linear dependence by applying BDS test strongly rejects the null hypothesis of independent and identical distribution of the return series for all the markets under study. This implies the presence of non-linear dependence in the return series. The study explores and eliminates the possibility of rejection of IID being caused by non-stationarity in the data. Hence, both linear and non-linear dependence characterize the stock markets of South Asia.

Brief Articles, Notes and Comments**Bank as a Source of Finance : Evidence from Indian Corporate Sector**

- *Jitendra Mahakud, L M Bhole*

This paper analyses the trends in commercial bank financing of Public Limited Companies (PULCos), Private Limited Companies (PRLCos) and Foreign Companies (FRCos) in India during the period of 1966-67 to 2001-02, and estimates panel data models by using data for 500 companies listed in S & P CNX 500 Index of NSE India for the period 1996-97 to 2003-04, for empirically identifying the determinants of corporate bank borrowings. It has been found that the dependence on bank borrowings is high in the case of PRLCos than PULCos and FRCos in India. An industry wise analysis also has been carried out to know the dependence of bank borrowings of the various industries in India. From the econometric analysis it has been found that the variables like size of the company, debt to equity ratio, return on assets, Tobin's Q-ratio, Altman's Z-score and tangibility are the major determinants of bank debt in the case of Indian corporate Sector.

Imperatives of Globalization and Vocational Training Framework in India*

- *Debi S Saini*

This paper seeks to examine the changing issues in Vocational Training (VT) at the global level and especially in developing economies like India in view of emergence of new realities resulting from the adoption of globalization policies. It maps the way in which the Indian VT scene should respond to the needs of human resource development (HRD) in the country so as to facilitate faster economic growth, employment generation, and eventually poverty alleviation. It is argued that the Indian VT scenario has got so structured that it is viewed as an end in itself rather than as a response to the skill-development needs of the Indian industry. The new dispensation warrants a shift from this approach, and necessitates a long-term VT policy with the backing of an appropriate legal framework. The paper suggests enacting a law envisaging a non-bureaucratic, participatory, professionally-led “Authority” which can coordinate, plan, accredit and administer VT-related activities across the country.

Ethical Issues and Dilemmas in Business Organizations

- *Parveen Kataria*

The present paper is on ethical issues and dilemmas in business organizations. The purpose of this paper is to explain the business ethics and the ethical dilemmas in the business organizations. It describes the meaning of business ethics. Ethics is the code of conduct. It is a set of rules and standards that guide our behaviour. It describes what is right and what is wrong. The business ethics is beyond the legal dimensions. It contains the element of social responsiveness as well as social responsibility. Business operations are not only responsible in terms of legal dimensions but are also responsible to many internal and external stakeholders who are important to the business. The scope of business ethics in the form of responsibilities towards various stakeholders, what is the ethical behaviour expected from manager, what is the importance of

business ethics, etc. have been explained in this paper. It has been realized that business cannot do without ethics. Sound ethics pay-off in the long run. Ethical conduct promotes a strong public image. Ethical dilemmas refer to situations when the problem of choice arises about what is right and what is wrong. It becomes very difficult to suggest clear-cut that it is right or wrong when the choices are right versus right because each side is deep-rooted in one of the basic core values. The various ways to resolve the ethical dilemmas have been listed in the paper.

Book Review Article

Economics, Ethics and Politics : An Economic Explanation of State Decision-Making

– Sukumar Nandi

Booknotes