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Current Status:

Working as an Assistant Professor (Finance & Accounting) in the department of Business Administration of SRM University AP Amaravati since 11th June 2018.

Previous Experience :

- Worked as an Ad-hoc Faculty- Finance and Accounting at National Institute of Technology, Jamshedpur in the department of Humanities, Social Science & Management from Sept 2014 to May 2018.
- Worked as an Asst. Professor- Finance and Accounting at DRIEMS, Odisha from August 2006 to July 2011.

Academic Qualification:

- PhD (Finance) from VGSOM, *Indian Institute of Technology Kharagpur* (Aug 2014).
Financial Development and Economic Growth of ASEAN Regional Forum Countries.
- M. Phil. in Commerce (Finance) (with 67.25%) *Berhampur University, Berhampur* (2006).
Operational Analysis of TISCO (Mines Division): A Study of Joda East Iron Mine Orissa
- M. Com. (Finance) (1st Division- 70.8%) *Fakir Mohan University, Balasore* (2004).
- B.Com. (Hons) (1st Division & Distinction- 68%) *Fakir Mohan University, Balasore* (2002).

Publications – Journals

- Tripathy, S., Rahman, A. (2020), Leverage and firm performance: Empirical evidence from Indian food processing industry. *Management Science Letters*, 10 (6): 1233–1240 (Scopus; EBSCO; J-Gate Listed).

- Suman, D., Tripathy, S., Rahman, A. (2019), The Liquidity Problem: A case of Café Coffee Day Enterprise (Case Paper), *Journal of Advanced Research in Dynamical and Control Systems*, 11 (8): 2209- 2214 (**Scopus**; Pro-Quest; EBSCO; J-Gate Listed).
- Tripathy, S., Singh, S. (2018), Can Capital Structure influence the performance of the Firm? Evidence from India. *Empirical Economic Letters*, 17 (11): 1391-1401 (**ABDC- C** Listed).
- Tripathy, S. (2017) Debt and Profitability: Evidence from Indian Firms. *International Journal of Current Research*, 9 (10): 59018-59023 (UGC Listed).
- Tripathy, S., Pradhan, R.P. (2014), Banking Sector Development and Economic Growth in India. *Global Business Review* (Sage), 15 (4): 767-776 (**Scopus**; RePEc; Pro-Quest; EBSCO; **ABDC- C** Listed).
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- Tripathy, S., Rahman, A. (2013), Forecasting Daily Stock Volatility Using GARCH Model: A Comparison between BSE and SSE. *IUP Journal of Applied Finance* (Icfai University), 19 (4): 71-83 (Cabell's Directory, EBSCO and Proquest Listed).
- Pradhan, R.P., Dasgupta, P., Bele, S., Tripathy, S. (2013), Banking Sector Development and Economic Growth in OECD Countries: Panel VAR Evidence. *IUP Journal of Bank Management* (Icfai University), 12 (3): 20-33 (Cabell's, EBSCO, Proquest Listed).
- Tripathy S. (2012), Financial Inclusion: A Key for the Sustained Growth of Micro, Small and Medium Enterprises. *Zenith International Journal of Multidisciplinary Research* (Zenith Publication), 2(9): 119-125 (Cabell's; Ulrich's, ProQuest, UGC Listed).

Publications – Book Chapter

- Pradhan, R. P. And Tripathy, S. (2013), Banking Sector Development and Stock Market Development in India: The Causality Analysis, *An Application on Computational and Financial Econometrics* (Eds.), Bloomsbury Publishing India Pvt. Ltd, New Delhi, pp. 315-322 (ISBN: 978-93-82951-36-0).

- Tripathy, S. and Mohanty, R. (2012), Banking and Finance Sector Crisis: Strategic Dimensions and Directions in the era of Economic Meltdown, *Research in Finance* (Eds.), Regal Publications, New Delhi, pp. 165- 171 (ISBN-978-81-8484-286-9).
- Tripathy, S. (2011), Subprime Fiasco: Its Impact on Job Market, *Recession Hit Management* (Eds.), Discovery Publishing House, New Delhi, pp. 105-119 (ISBN978-81-8356-821-0).
- Dash, M. and Tripathy, S. (2011), Corporate Governance: Issues and Opportunities For Financial Risk Management, *Recession Hit Management* (Eds.), Discovery Publishing House, New Delhi, pp. 105-119 (ISBN-978-81-8356-821-0).
- Dash, M. and Tripathy, S. (2010), The Impact of Crisis on Indian Capital Market: An Empirical Investigation on Mutual Fund, *Strategy of Infrastructure Finance* (Eds.), Macmillan Publication, New Delhi, pp. 614-624 (ISBN: 0230-33216-1).

Conferences

- Independent or Interdependent effect between Stock Price and Volume: Evidence from Indian Stock Market (2015). *International Conference on Multidisciplinary in Management, National Institute of Development Administration, Bangkok*, October 30-31, 2015 (ISBN: 978-974-231-888-8).
- The Dynamic Relationship on Financial Depth, Openness and Economic Growth in MENA Region: An Application of Panel VAR Modeling (2013). *India Accounting and Finance Conference, Indian Institute of Management Lucknow*, September 09-11, 2013.
- Finance-Social Development and Economic Growth: The Panel VAR Application (2013). *3rd IIMA International Conference on Advanced Data Analysis, Business Analytics and Intelligence, Indian Institute of Management, Ahmedabad*, April 13-14, 2013.
- Stock Market Development, Banking Sector Development and Economic Growth: The Causal Nexus in India (2012). *Indian Finance Conference, Indian Institute of Management, Calcutta*, December 19-21, 2012.
- Stock Market Volatility in International and Indian stock exchanges (2010). *International Conference on Infrastructure Finance, Indian Institute of Technology, Kharagpur*, June 03-05, 2010.
- Acquisition- A Prospective Opportunities & Challenges: With special reference to 10E (2009). *Conference on Global competition and competitiveness of Indian Corporate, Indian Institute of Management, Kozhikode*, May 21-23, 2009.
- Financial Efficiency of Indian Private Banks: A Non- Parametric Model (2009). *International Seminar, Indian Education Society, Mumbai*, April 25-26, 2009.

- Forecasting Financial Market Prices: With Refers to Stock Market (2008). *International Conference on Forecasting Financial Markets in India, Indian Institute of Technology, Kharagpur*, December 29-31, 2008.

Training Programmes attended:

Sl. No.	Title of the Programme	Organised By	Duration
1	Advance Data Analysis in Management	DOM, Indian Institute of Technology Delhi	Dec 14-18, 2015
2	Effective Teaching and Pedagogical Practices	SET, Indian Institute of Technology Kharagpur	Oct 9-11, 2015
3	Date Analysis for Research & Publication	DOM, Indian Institute of Technology Roorkee	Dec 20-21, 2014
4	Capacity Building Workshop	HSS, National Institute of Technology, Rourkela, Odisha	Jan 13-25, 2014
5	Research Methodology Workshop	HSS, National Institute of Technology, Rourkela, Odisha	Mar 20-29, 2013
6	SPSS Training – cum – Workshop	Srusti Academy of Management jointly with BPUT, Odisha	Feb 01-05, 2011
7	Financial Markets and Institutions	VGSOM, Indian Institute of Technology Kharagpur	June 29-July 04, 2009
8	Globalisation and Management Education	DRIEMS Business School, Cuttack, Odisha	July 21-Aug 04, 2008
9	Equity valuation and Emerging trends in Indian Capital Market	VGSOM, Indian Institute of Technology Kharagpur	June 11-14, 2008
10	Managerial Economics	BPUT jointly with VGSOM, Indian Institute of Technology Kharagpur	June 3-7, 2008
11	Development of Teaching Skill through Micro Teaching	BPUT jointly with NITTTR, Kolkata	Feb 25-29, 2008

Guest Lecture Delivered:

- Invited Lecture on ‘Time Series: Components and Volatility’ at HSS, NIT Rourkela during a CEP Sponsored workshop on “Times Series Modeling and Forecasting: Using E-Views Package” on 29th Jan 2016.
- Invited as a Panel Speaker to a National Seminar titled “Entrepreneurship Development: Policies and Strategies” at Gangadhar Meher University, Sambalpur during March 15-16, 2019.

Editorial Board Member: International Journal of Business and Economics (1542-8710); Journal of Economics World (2328-7144); International Journal of Applied Research & Studies (2278-9480); Journal of Finance and Accounting (2330-7323); International Journal of Economics, Finance and Management Sciences (2326-9561); Journal of Investment and

Management (2328-7721); Journal of Business Management & Social Sciences Research (2319-5614).

Professional Affiliations:

- Life Member, AIMA (LM-201911152); Life Member, All India Commerce Association; Life Member, National Science Congress (L38169); Life Member, Orissa Commerce Association (618)

Teaching Interest: Corporate Finance; Business Valuation; Investment Analysis; Basic Econometrics; Financial Accounting; Management Accounting.

Achievement & Scholarship:

- MHRD Fellowship for pursuing Ph. D. (July 2011-Aug 2014) received from Indian Institute of Technology Kharagpur, India.;
- First Position in M.Com. from Fakir Mohan University, Balasore

Software & Databases: EViews, SPSS, Gretl, Python
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DECLARATION

I do hereby declare that all the above mentioned statements are true and correct to the best of my knowledge and belief.

Date: 12/01/2020

Place: SRM University AP

(Sasikanta Tripathy)

Leverage and firm performance: Empirical evidence from Indian food processing industry

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CHRONICLE

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ABSTRACT

The current study examines the association between financial performance and leverage for 56 food processing firms listed in BSE over the period 2000-2018 using pooled OLS, fixed effects, and random effects models. The results indicate that leverage was significantly and positively associated with the firm performance. The results obtained are thus robust across the estimation methods. The pecking order theory and the static trade-off theory, both seem to explain Indian food processing firms' decisions among the alternative theories of capital structure.

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1. Introduction

An organization's operations and growth are financed through various sources of funds. Although a firm can raise funds from different sources, but debt and equity play a vital role in this regard. Firms depend on many sources of funds, but the sources of debt and equity depend on a large extent. These sources contribute towards the total cost of the firms. The foundation of the modern approach towards capital structure links to the work of Modigliani Miller theory in 1958. This theory has its own importance, despite being considered weak towards various important factors in the leverage process, such as fluctuations and uncertain situations. An extension of this analysis was to investigate the existence of an optimal capital structure which has an impact on the firm's value (Modigliani & Miller, 1963). The value of firm shows the market value that consists of various claims from creditors and stockholders. It is one of the most crucial metrics used in business valuation, risk analysis, accounting and portfolio analysis (Erenburg et al., 2016). Profit maximization and firm value are directly linked. So the present value measurement is the most important concern. Time value of money is a better source for explaining firm value. Therefore, the expected future returns when converted to current returns is termed as firm value. According to the pecking order theory, firms use internal sources of financing first and then go for external sources of financing. Firms with higher profitability will prefer internal financing to debt, hence a negative relationship is expected between profitability and leverage. Most empirical studies confirm the pecking order hypothesis (Titman & Wessels, 1988; Rajan & Zingales, 1995; Michaelas et al., 1999; Kao, 1999; Pedroni, 2001, 2004). According to the static trade-off theory, more profitable firms are supposed to have more debt-serving capacity and more taxable income to shield. Therefore, according to this theory, when firms are profitable, they are likely to prefer debt to other sources in order to benefit from the tax shield. Hence, a positive relationship is expected between

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Can Capital Structure Influence the Performance of the Firm? Evidence from India

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Abstract: In this study, the association between financial performance and capital structure of 56 BSE listed firms is investigated over the period 2000-2017. Here fully modified OLS (FMOLS) and generalized method of moments (GMM) have been applied as two alternative methods of panel data estimation. Results indicate that capital structure is significantly and positively associated with firm performance. Results thus obtained are robust across the estimation methods. The pecking order theory and the static trade-off theory, both seem to explain Indian firms' decisions among the three alternative theories of capital structure. This paper also supports to the agency cost theory.

Keywords: Capital Structure; Firm Performance; FMOLS; GMM

JEL Classification Number: D24; G31; C23; C31

1. Introduction

An organization's operations and growth are financed through various sources of funds. Basically, there are two sources of funds: Debt and Equity. Each form of organization employs different sources of funds and many types of combinations of debt and equity and thus every firm has a different capital structure. Every element in capital structure adds up to the cost to the firm, depending on its type. The firm value, which is an economic measure, is showing its market value can derive the summation of claims of all claimants like creditors and stockholders. It is one of the most crucial metrics used in business valuation, risk analysis, accounting and portfolio analysis (Tripathy and Rahman, 2013). There is a direct relationship between the value of a firm and profit maximization. So measuring or determining the present value is very important for the firm. The value of a firm measurement can be simplified by using time value of money principles. So a firm value is the present value of all expected future cash flows plus current cash flows assuming expected flows to be equal to the expected profits of the firms.

The indispensable quality of financial management is the process of bringing shareholder value into existence of the firm. According to Ehrhard and Brigham (2003), the value of a business is based on the going concern concept which states that the present value of all the expected future flows of cash to be provoked by the assets should be discounted at the

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Banking Sector Development and Economic Growth in India

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Abstract

This article investigates short-run as well as long-run relationships, and also causality relationships between banking sector development and the economic growth of India for which empirical analysis is performed using annual data. We use a new data set of banking sector development indicators to argue that banking sector development substantially affected economic growth. We find strong evidence that banking sector development caused economic growth in the Indian economy, especially in the period between 1960 and 2011, covering 52 years of the post-independence period for India.

Keywords

Banking sector development, economic growth, Granger causality

Introduction

The increasing importance of financial markets across the world has reinforced the general conviction that 'finance' is an important element of economic growth. Although different economists attach different degrees of importance to financial intermediation, its role in economic growth can be theoretically postulated and has been supported by more and more empirical evidence. The main functions of the financial system are (Levine, 1997): the provision of liquidity, the facilitation of the trading, hedging and diversification of risk, the monitoring of managers and exertion of corporate control, and the matching of savers and investors. The relationship between financial development and economic growth (Kar, 2011; Zhang et al., 2012) has attracted a lot of attention among economists for a long time, particularly since the emergence of the new theories of endogenous economic growth.

A solid and well-functioning financial sector is a powerful engine behind economic growth. It generates local savings, which in turn lead to productive investments in local business. Furthermore, effective banks can channel international streams of private remittances. The financial sector therefore provides the rudiments for economic growth (Federici and Caprioli, 2009; Ho, 2012).

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Development of banking sector and economic growth: the ARF experience

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Abstract The paper examines the long-run relationship between banking sector development and economic growth in 25 ARF countries for the period 1960–2012. Using principal component analysis for the construction of development index and vector auto-regressive model for testing the Granger causalities, the study finds the presence of both unidirectional and bidirectional causality between banking sector development and economic growth. The policy implication of this study is that the economic policies should recognize the differences in the banking sector development and economic growth in order to maintain sustainable development in the 25 ARF countries.

Keywords PCA · Panel VAR · Banking sector · Economic growth · Granger causality

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Introduction

The relationship between financial development and economic growth has attracted a lot of attention among economists and policy makers for a long time, particularly since the emergence of the new theories of endogenous economic growth (see, for instance, King and Levine 1993a, b; Bencivenga and Smith 1991; Greenwood and Jovanovic 1990). Although different economists fasten different degrees of importance to financial development, its role in economic growth can be theoretically postulated and has been supported by more and more empirical evidence (Pradhan 2013). Theoretically, finance can facilitate economic growth by multiple channels: (i) providing information about possible investments so as to allocate capital efficiently; (ii) monitoring firms and exerting corporate governance; (iii) risk diversification; (iv) mobilizing and pooling savings; (v) easing the exchange of goods and services and (vi) technology transfer (see, inter alias, Zhang et al. 2012; Levine 2005; Goodhart 2004; Levine 2003; Beck et al. 2000; Garcia and Liu 1999; Levine 1997; Fritz 1984; Drake 1980).

Empirically, most of the research based on cross-country panel data suggests a positive relationship between financial development and economic growth (see, Law and Singh 2014; Beck and Levine 2004; Levine 2003, Beck et al. 2000, 1997; King and Levine 1993a, b). However, the relevance of the finding is compromised by the problematic issue of causality and the potential bias arising from the joint determination of

Banking sector development and economic growth in ARF countries: the role of stock markets

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The paper examines the long-run relationship between banking sector development, stock market development and economic growth in 26 ASEAN regional forum (ARF) countries for the period 1961–2012. Using principal component analysis for the construction of development indices and panel vector auto-regressive model for testing the Granger causalities, the study shows that a long-run relationship between banking sector development, stock market development and economic growth exists in ARF countries. The study also uniquely finds the existence of bidirectional causality between banking sector development and economic growth and a unidirectional causality from stock market development to economic growth. It, however, reveals the existence of unidirectional or bidirectional causal links between banking sector development and stock market development. Hence, future studies on economic growth that exclude the dynamic interrelationship of these variables will be unreliable.

Keywords: banking sector; stock markets; economic growth; PCA; panel VAR; Granger causality; ARF countries

JEL classification: O43; O16; E44

1. Introduction

Every country requires a sophisticated and efficient financial system to flourish, since a sound financial system is an integral to the profound fundamentals of an economy. An efficient financial system provides better financial services, and this enables an economy to increase its growth rate. Conversely, a dampened financial system spills over unfavourably into the economy. An inadequately supervised financial system may be crisis-prone, with potentially devastating effects (OECD 1999). Therefore, the relationship between financial development¹ and economic growth has been one important area of discussion among the researchers and policy makers (see, for instance, Lee and Hsieh 2014; Herwartz and Walle 2014; Law and Singh 2014; Chow and Fung 2011; Mukhopadhyay, Pradhan, and Feridun 2011; Ang 2008; Al-Yousif 2002; Levine, Loayza, and Beck 2000; King and Levine 1993).

There are two strands of thoughts. First, the role of banking sector development to economic growth (see, for instance, Majid and Mahrizal 2007; Tang 2005; Christopoulos and Tsionas 2004); second, the role of stock market development to economic growth (see, for instance, Singh 1997). But in a broad-spectrum, both banking sector development and stock market development are the two main forces that can bring high economic growth in the economy (Nieuwerburgh, Buelens, and Cuyvers 2006; Trew 2006; Shan, Morris, and Sun 2001; Schumpeter 1911). We can assume that both banking sector

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