Perceptions of the Investors of Commercial Banks on the Adoption and Implementation of IFRS in the Banking Sector of India-An Empirical Study

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ABSTRACT

Commercial banks are business organizations run with an objective of profit creation and are globally connected. The accounting and financial reporting systems should be based on internationally acceptable standards and language used should be comprehensible to all concerned internationally. Only when the banks are so robustly connected globally will be able to generate profits that can attract the funds of the investors. The stronger the organizations are, better will be the opportunities for the investors to invest funds and more are the investments, better will be the banking systems. International Financial Reporting Standards *(IFRS) and India accounting systems (Ind AS) are accounting systems which are used in India and India is poised to benefit from the advantages of the IFRS. As the current system is such that IFRS is not fully adopted in India and the Government of India is in the process of making regulations passed in the Indian Parliament for the implementation of IFRS in India, it is pertinent to peruse the prevailing ground level preparedness and the stake holder perception on the same. Investors are one of the main stakeholders of the banking system. Therefore, a scientific investigation of the perceptions of Investors will add value to the knowledge. In this paper, the research findings of the empirical study of the perceptions of the Investors is discussed.*

Keywords: Commercial Banks, International Accounting Standards, International Financial Reporting Standards, Investers, Stakeholders,

I. INTRODUCTION

The Indian banking system consists of 12 public sector banks, 22 private sector banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks and 96,000 rural cooperative

banks in addition to cooperative credit institutions As of November 2020, the total number of ATMs in India increased to 209,282.

The Indian Banking Report (2021) gives the details of the Indian banking Sector as given below:

"As per the Reserve Bank of India (RBI), India's banking sector is sufficiently capitalised and well-regulated. The financial and economic conditions in the country are far superior to any other country in the world. Credit, market and liquidity risk studies suggest that Indian banks are generally resilient and have withstood the global downturn well.

Indian banking industry has recently witnessed the roll out of innovative banking models like payments and small finance banks. RBI's new measures may go a long way in helping the restructuring of the domestic banking industry.

The digital payments system in India has evolved the most among 25 countries with India's Immediate Payment Service (IMPS) being the only system at level five in the Faster Payments Innovation Index (FPII).*

Market Size

The Indian banking system consists of 12 public sector banks, 22 private sector banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks and 96,000 rural cooperative banks in addition to cooperative credit institutions As of September 2021, the total number of ATMs in India reached 213,145.

In FY18-FY21, bank assets across sectors increased. Total assets across the banking sector (including public and private sector banks) increased to US$ 2.48 trillion in FY21.

In FY21, total assets in the public and private banking sectors were US$ 1,602.65 billion and US$ 878.56 billion, respectively.

During FY16-FY21, bank credit increased at a CAGR of 0.29%. As of FY21, total credit extended surged to US$ 1,487.60 billion. During FY16-FY21, deposits grew at a CAGR of 12.38% and reached US$ 2.06 trillion by FY21.

According to the RBI, bank credit stood at Rs. 110.46 trillion (US$ 1.47 trillion) and credit to non-food industries stood at Rs. 109.82 trillion (US$ 1.46 trillion) as of September 24, 2021.

Investments/Developments

Key investments and developments in India's banking industry include:

- As of November 03, 2021, the number of bank accounts—opened under the government's flagship financial inclusion drive 'Pradhan Mantri Jan Dhan Yojana (PMJDY)'—reached 43.81 crore and deposits in the Jan Dhan bank accounts totaled >Rs. 1.48 trillion (US$ 19.89 billion).

- On November 09, 2021, RBI announced the launch of its first global hackathon 'HARBINGER 2021 – Innovation for Transformation' with the theme 'Smarter Digital Payments'.

- In November 2021, Kotak Mahindra Bank announced that it has completed the acquisition of a 9.98% stake in KFin Technologies for Rs. 310 crore (US$ 41.62 million).

- In July 2021, Google Pay for Business has enabled small merchants to access credit through tie-up with the digital lending platform for MSMEs—FlexiLoans.

- In December 2020, in response to the RBI's cautionary message, the Digital Lenders' Association issued a revised code of conduct for digital lending.

- On November 6, 2020, WhatsApp started UPI payments service in India on receiving the National Payments Corporation of India (NPCI) approval to 'Go Live' on UPI in a graded manner.

- In October 2020, HDFC Bank and Apollo Hospitals partnered to launch the 'HealthyLife Programme', a holistic healthcare solution that makes healthy living accessible and affordable on Apollo's digital platform.

- In 2019, banking and financial services witnessed 32 M&A (merger and acquisition) activities worth US$ 1.72 billion.

- In March 2020, State Bank of India (SBI), India's largest lender, raised US$ 100 million in green bonds through private placement.

- In February 2020, the Cabinet Committee on Economic Affairs gave its approval for continuation of the process of recapitalization of Regional Rural Banks (RRBs) by providing minimum regulatory capital to RRBs for another year beyond 2019-20 - till 2020-21 to those RRBs which are unable to maintain minimum Capital to Risk weighted Assets Ratio (CRAR) of 9% as per the regulatory norms prescribed by RBI.

Government Initiatives

- In November 2021, RBI launched the 'RBI Retail Direct Scheme' for retail investors to increase retail participation in government securities.
- The RBI introduced new auto debit rules with a mandatory additional factor of authentication (AFA), effective from October 01, 2021, to improve the safety and security of card transactions, as part of its risk mitigation measures.
- In September 2021, Central Banks of India and Singapore announced to link their digital payment systems by July 2022 to initiate instant and low-cost fund transfers.
- In August 2021, Prime Minister Mr. Narendra Modi launched e-RUPI, a person and purpose-specific digital payment solution. e-RUPI is a QR code or SMS string-based e-voucher that is sent to the beneficiary's cell phone. Users of this one-time payment mechanism will be able to redeem the voucher at the service provider without the usage of a card, digital payments app, or internet banking access.
- As per Union Budget 2021-22, the government will disinvest IDBI Bank and privatise two public sector banks.
- Government smoothly carried out consolidation, reducing the number of Public Sector Banks by eight.

Achievements

Following are the achievements of the Government:
- In October 2021, Unified Payments Interface (UPI) recorded 4.21 billion transactions worth Rs. 7.71 trillion (US$ 103.9 billion).
- According to the RBI, India's foreign exchange reserves reached US$ 642.20 billion as of October 29, 2021.
- To improve infrastructure in villages, 204,000 point of sale (PoS) terminals have been sanctioned from the Financial Inclusion Fund by National Bank for Agriculture & Rural Development (NABARD).
- The number of transactions through immediate payment service (IMPS) reached 430.67 million and amounted to Rs. 3.70 trillion (US$ 49.75 billion) in October 2021.

Road Ahead

Enhanced spending on infrastructure, speedy implementation of projects and continuation of reforms are expected to provide further impetus to growth in the banking sector. All these factors suggest that India's banking sector is poised for a robust growth as rapidly growing businesses will turn to banks for their credit needs.

Also, the advancement in technology has brought mobile and internet banking services to the fore. The banking sector is laying greater emphasis on providing improved services to their clients and upgrading their technology infrastructure to enhance customer's overall experience as well as give banks a competitive edge.

India's digital lending stood at US$ 75 billion in FY18 and is estimated to reach US$ 1 trillion by FY23 driven by the five-fold increase in the digital disbursements. By 2025, India's Fintech market is expected to reach Rs. 6.2 trillion (US$ 83.48 billion). Against this background, the current study of the sample banking sector in Dumka, Jharkhand is carried out through the administration of a questionnaire on the Investor samples to gather insights into the perceptions of the Investing class which will help infer the implications of adoption and implementation of the International Financial Reporting Standards (IFRS) in the commercial banking sector of India.

II.   A SHORT OVERVIEW OF PREVIOUS STUDIES

RBI, the controlling authority of the banking sector in India mentions that the IND AS implementation is apt to possess a major effect on the fiscal reporting systems and procedures and thus these modifications have been designed, managed, analyzed as well as performed in advance of the implementation date.

The implementation of IND AS can have adequate impact on practice of the business, Informational Technologies feature, inner monetary systems, income taxes, remuneration policies as well as plans depending on the agreement (Ghose, et. al.., 2015). It offers the primary key aim and outputs associated with each phase like designing and planning, remedy development etc.

Implementation of IFRS is slowed down because of the lack of training and education, securing executive level assistance, responding and identifying to the wider business related implications of the change, along with problems with capturing the essential information for IFRS(Woods and Weaver, 2015).

The significance of property, plant and equipment evaluation was brought to notice due to convergence of IFRS. The substantial part of property, plant and equipment will be depreciated individually or collectively which is impactful in accounting (Dugar,et.al., 2015).

The experience of the stakeholders as a result of the convergence of the current Indian accounting requirements with IFRS was narrated (Vedanandamurthy, 2015). The gains outweigh the issues that might be experienced necessitate the implementation of IFRS in India, though there are issues and problems because of convergence.

Since the European Union (EU) was the first to adopt IFRS, most of the research has been carried out on IFRS analyzing the data from member countries of the EU. The findings of these researches put forward the benefits and challenges of adopting IFRS in front of the investors, stakeholders, and governments of other nations (Jain, 2011). There has been a worldwide adoption of IFRS realizing the potential of the new accounting language. Many studies have been done in India and other developing countries focusing on the implementation of IFRS.

IFRS has been discussed as a single set of high-quality, worldwide accepted accounting standards(Jacob and Madu, 2009). Most countries are in the process to adopt these standards as uniformity in financial reporting is required in the current business situation.

Application of IAS is associated with accounting quality of any firm (Barth *et al.*, 2006). They compared characteristics of accounting amounts for firms that apply International Accounting Standards (IAS) to a matched sample of firms which do not practice IAS. It was found that firms applied IAS evidence fewer earnings management, more timely loss recognition, and more value relevance of accounting amounts than those applied domestic GAAP. Overall the improvement in accounting quality for IAS firms was generally greater than that for firms applying domestic GAAP throughout the sample period. Evidence suggesting that the application of IAS is associated with a lower equity cost of capital was inadequate.

The changes in accounting quality due to the adoption of IFRS in the states of the European Union (EU) was studied. The accounting quality of publicly listed companies in 15 member states of the European Union before and after the full adoption of IFRS in 2005 was compared.

Results have shown that the majority of accounting quality indicators improved after IFRS adoption in the EU. That is, there is less of managing earnings toward a target, a lower magnitude of absolute discretionary accruals, and higher accruals quality (Chai *et al.,* 2010). The impact of the implementation of the International Financial Reporting Standards (IFRSs) on key financial measures of UK firms and the volatility effects of IFRS adoption was analyzed (Latridis, 2010). The finding showed that IFRS implementation has favorably affected the financial performance (e.g. profitability and growth potential) of firms. The study also demonstrated that following the fair value orientation of IFRS, the transition to IFRS introduced volatility in income statement figures.

The effect of the adoption of international financial accounting standards (IFRS) on global capital market integration was examined (Cai and Wong, 2010). The correlation matrix of the stock market index returns was used to measure the effect. Countries that have adopted IFRS as their accounting standards for listed companies were taken as a sample. Results showed that sample markets will have a higher degree of integration among them after their IFRS adoption as compared to the period before the adoption.

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III. OBJECTIVES OF THE STUDY

In the foregone background, this empirical study on the Investors of the Commercial Banks was carried out in one of the districts of India viz Dumka, within the state of Jharkhand. The following objectives were purported for the study.

1. To understand the demographic profile of the Investors.
2. To administer a questionnaire to elicit the perceptions of the sample on the identified factors and parameters.
3. To draw inferences and report for the wider understanding of the preparedness of the commercial banking system for the full adoption and implementation of the IFRS in Indian banking sector.

IV. METHODOLOGY OF THE STUDY

This empirical study was carried out by drawing a sample of 450 respondents from among the investors of the commercial banks in the study area. A list of investors was collected from the banks and the respondents were selected on the basis of convenience sampling. A close ended questionnaire was administered on the respondents and out of 450 respondents, 405 respondents completed the questionnaire and returned. The data received from the respondents were analysed using the SPSS package and the resulting observations are presented in the tables given hereunder.

V.   RESULTS AND DISCUSSIONS

The following results have been observed as a result of the study. Demographic profile of the Investor Respondents is given in the Table below (Table No.1). Out of the 450 respondents planned only 405 respondents answered the questionnaire. The responses were analysed and presented in the Table 1. Showing the demographic profile of the responding Investors. Thus 201 (49.6%) employees belonged to the public sector while 204 employees (50.4%) belonged to the private sector.

Out of the 405 respondents, 201 (49.6%) were from the Public Sector and 204(50.4%) were from the private sector. The respondents were divided into three age groups. In the public sector,

employees belonged to the age group of 18-35 years (54.2%),   age group of 35-50 years (43.8%)

Table No. 1 :-Table Showing the Demographic profile of the Total Bank Investors Respondents
INVESTORS (Demographic Details)

Investors (Demographic Details)		Banks					
		PUBLIC SECTOR (182) (40.44%)		PRIVATE SECTOR (268) (59.56%)		TOTAL (450) (100%)	
		COUNT	%	COUNT	%	COUNT	%
AGE	18-35 YEARS	109	54.2	128	62.7	237	58.5
	35-50 YEARS	88	43.8	65	31.9	153	37.8
	51+ YEARS	4	2.0	8	3.9	12	3.0
	TOTAL	201	100.0	204	100.0	405	100.0
GENDER	MALE	146	72.6	119	58.3	265	65.4
	FEMALE	55	27.4	85	41.7	140	34.6
	TOTAL	201	100.0	204	100.0	405	100.0
EDUQUALFN	ILLITRATE	6	3.0	8	3.9	14	3.5
	UNDER METRIC	53	26.4	69	33.8	122	30.1
	METRIC+	93	46.3	87	42.6	180	44.4
	GRADUATE	42	20.9	31	15.2	73	18.0
	POST GRADUATE	7	3.5	9	4.4	16	4.0
	TOTAL	201	100.0	204	100.0	405	100.0
DESIGNATION	MENIAL	42	20.9	62	30.8	104	25.9
	CLERICAL	37	18.4	53	26.4	90	22.4
	MANAGERIAL	90	44.8	77	38.3	167	41.5
	TOTAL	182	100.0	268	100.0	450	100.0

and 51 plus years (2.0%). So far as the private sector is concerned, the age group of 18-35 was 62.7%, age group of 35-50 years 31.9%, and 51 plus 3.9%. These percentages can be seen as given in the table below.

Source: SPSS Output

Source: Developed by the Researcher

The demographic profile of the employee respondents were further analysed by running a correlation of the parameters and are given in the Table 1 as shown above. As can be seen here, the educational qualification is negatively correlated thereby signifying that higher the age, lower is the educational qualification. This is under stable because the more aged people had lower educational qualifications and the new recruits and younger employees have acquired higher qualifications. Age and designation are positively correlated thereby meaning that as the employees advance in age, their designations improve due to promotions and filling up of higher positions.

Chart No. 1 :- Pie Chart showing No. of Public and Private banks
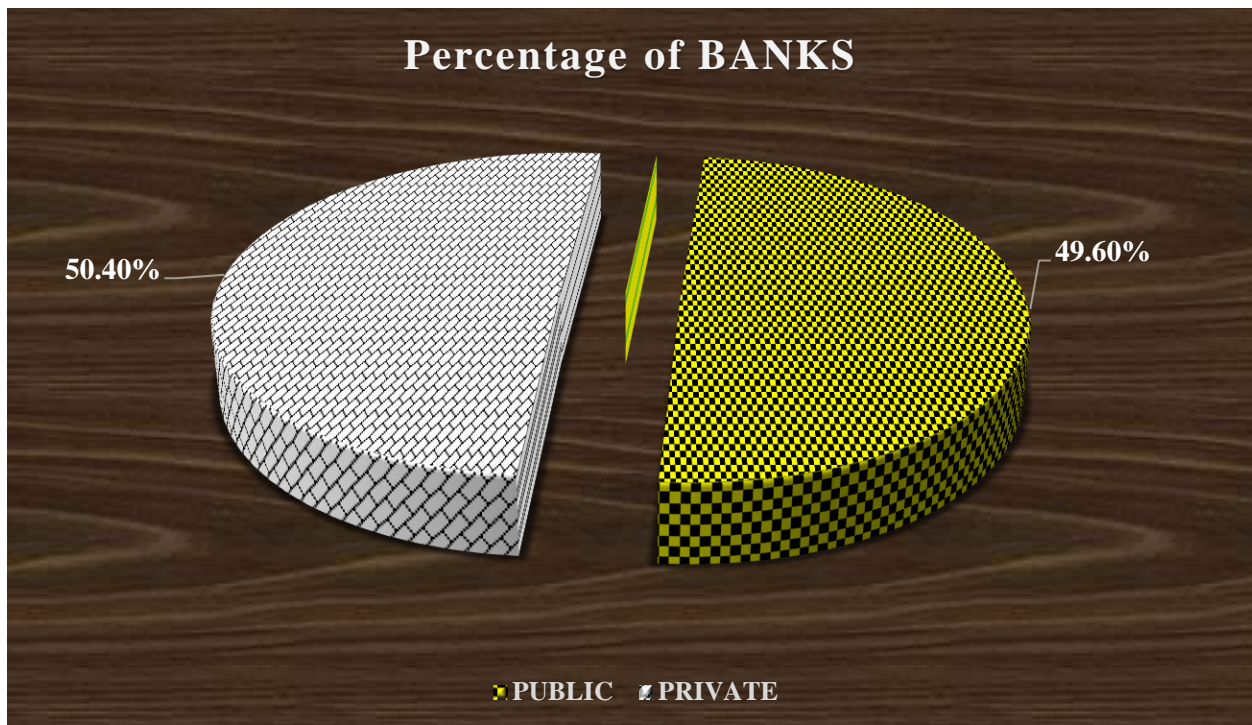
Source: Developed by the Researcher

In Pie Chart 1, the banks whose employees have been interviewed are divided into Public and Private. It can be seen that 50.4% of the employees belonged to the public sector banks and 49.60% employees belonged to Private sector.

Chart No. 2 :- Showing Age of employees in Public Sector banks

AGE- Public

2…

44%

54%

- 18-35 years
- 35-50 years
- 51+ years
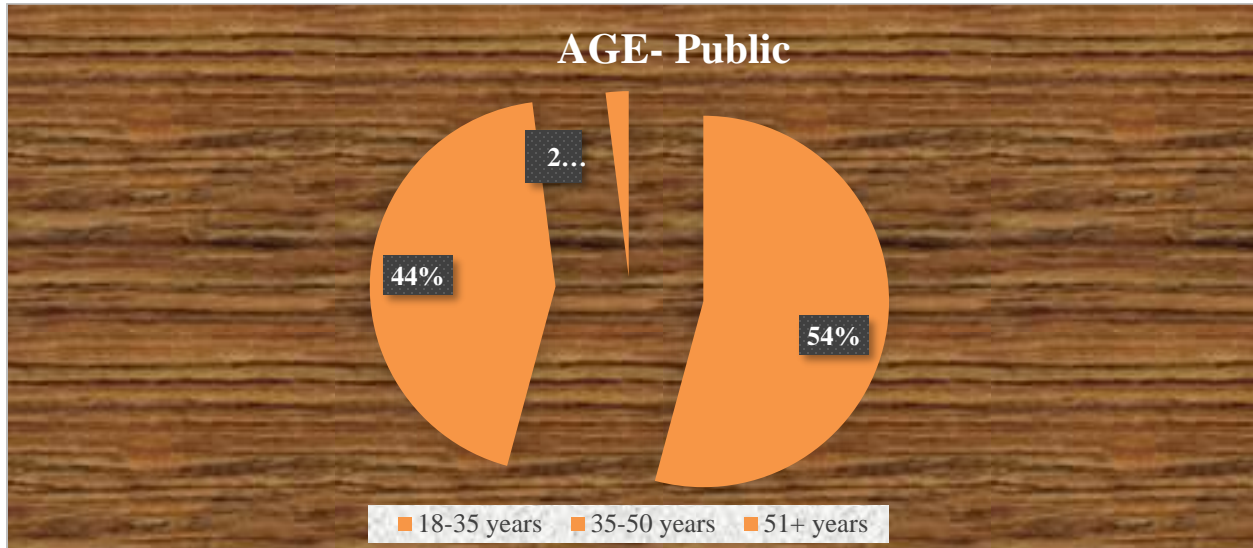
Source: Developed by the Researcher

Pie Chart 2, gives the percentage categories of the employees of the public sector banks based on the age range. 44% of the employees were in the range of 35-50 years, 54% fell in the category of 18-35 and 2% was in the range of 51 years and above.

Chart No. 3 :- Pie chart showing Age of employees in Private Sector Banks

AGE - Private

32%

4%

4%

64%

- 18-35 years
- 35-50 years
- 51+ years
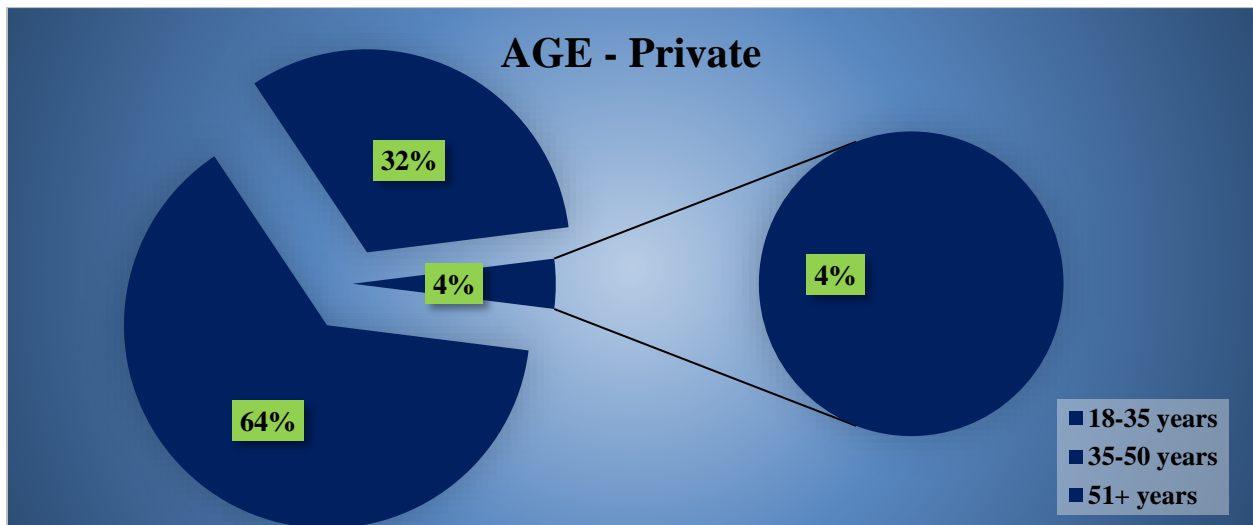
Source: Developed by the Researcher

Pie chart 3, gives the percentage categories of the employees of the private sector banks based on the age range. 64% of the employees were in the range of 18-35 years, 32 % fell in the category of 18-35 and 4 % was in the range of 51 years and above.

Chart No. 4 :- Pie chart showing percent of Gender in Public Sector banks
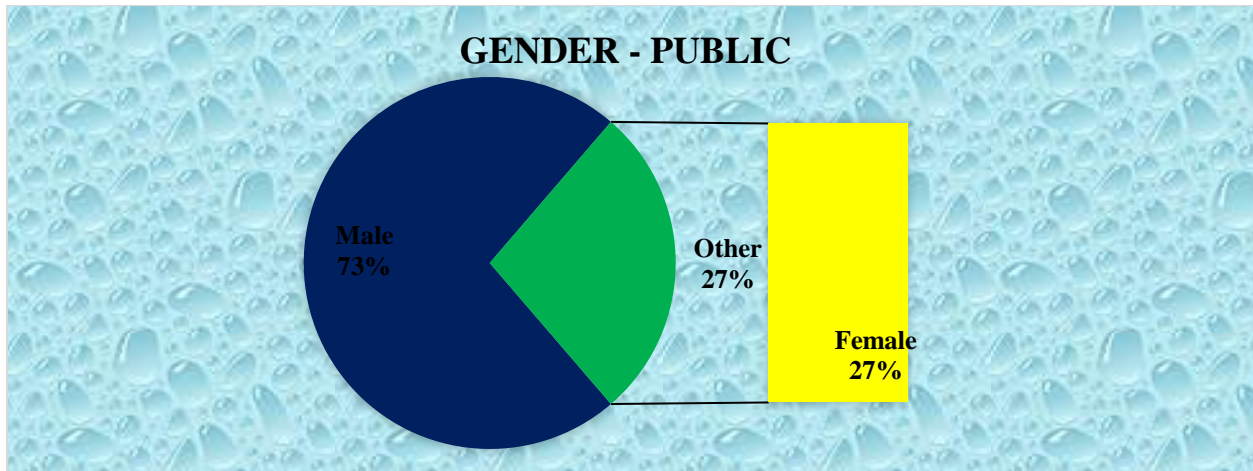
Source: Developed by the Researcher

Pie Chart 4,, show the gender divide of the employees of the public sector banks. While 27% belonged to female gender, 73% constituted male. No reporting of transgender was observed.

Chart No. 5 :- Pie chart showing percent of Gender in Private Sector banks
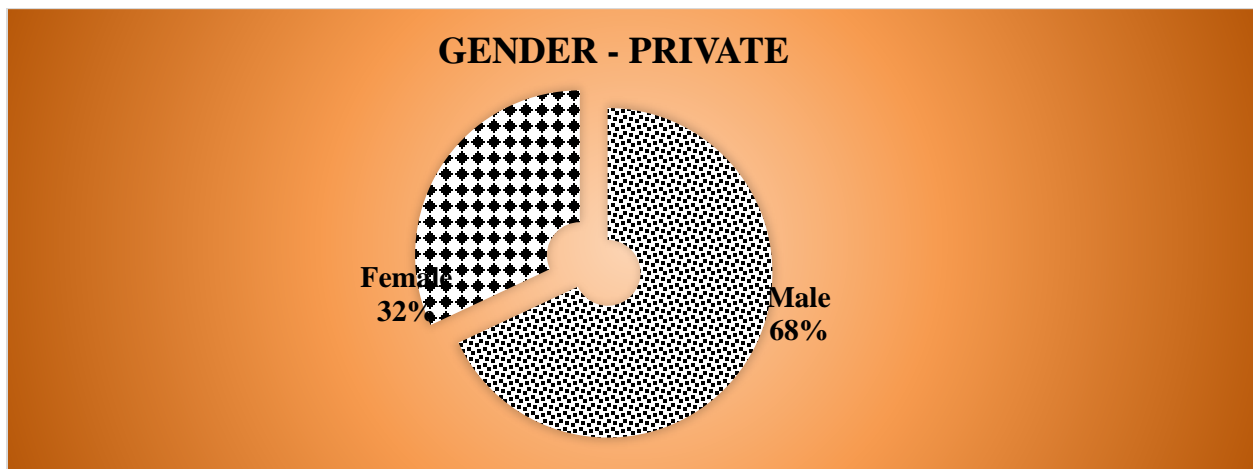
Source: Developed by the Researcher

Pie Chart 5, show the gender divide of the employees of the private sector banks. While 32 % belonged to female gender, 68 % constituted male. No reporting of transgender was observed. It is seen that in the private sector, there is an increased representation of the female categories.

Chart No. 6 :- Pie chart showing percent of Educational Qualification in Public Sector banks
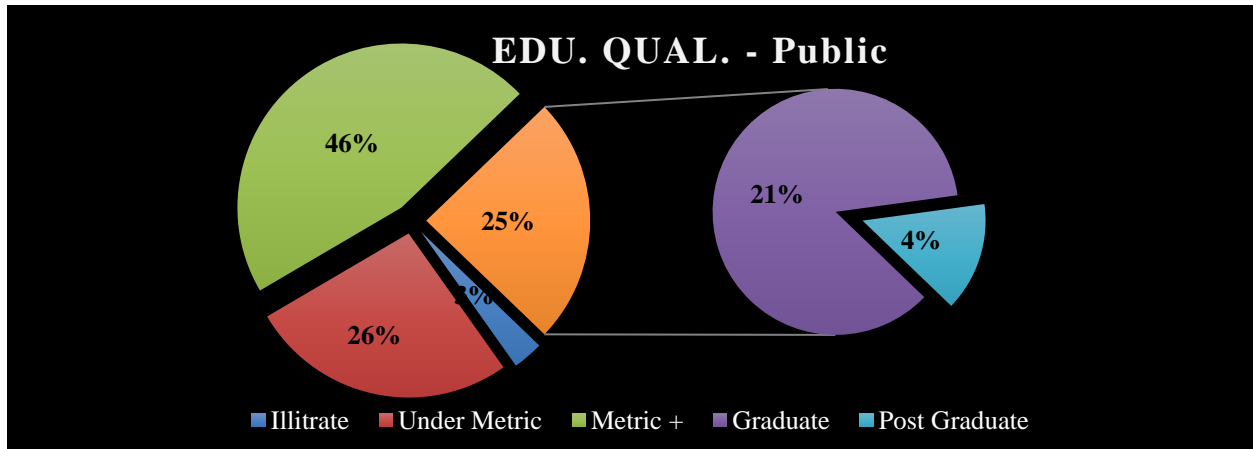
Source: Developed by the Researcher

Pie Chart 6, show the Educational Qualification for the Public Sector Banks which shows the percentage of Illitrate with 3% , Under Metric with 26%, Metric+ with 46% ,Graduate with 21% and Post Graduate with 4%.

Chart No. 7 :- Pie chart showing percent of Educational Qualification in Private Sector banks
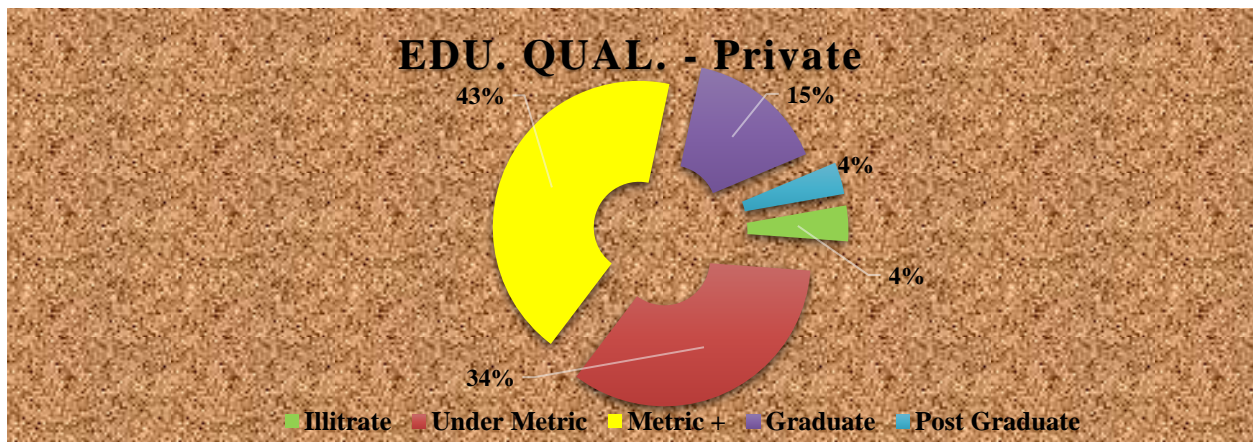
Source: Developed by the Researcher

Pie Chart 7, show the Educational Qualification for the Private Sector Banks which shows the percentage of Illitrate with 4% , Under Metric with 34%, Metric+ with 43% ,Graduate with 15% and Post Graduate with 4%.

Chart No. 8 :- Pie chart showing percent of Designation in Public Sector banks
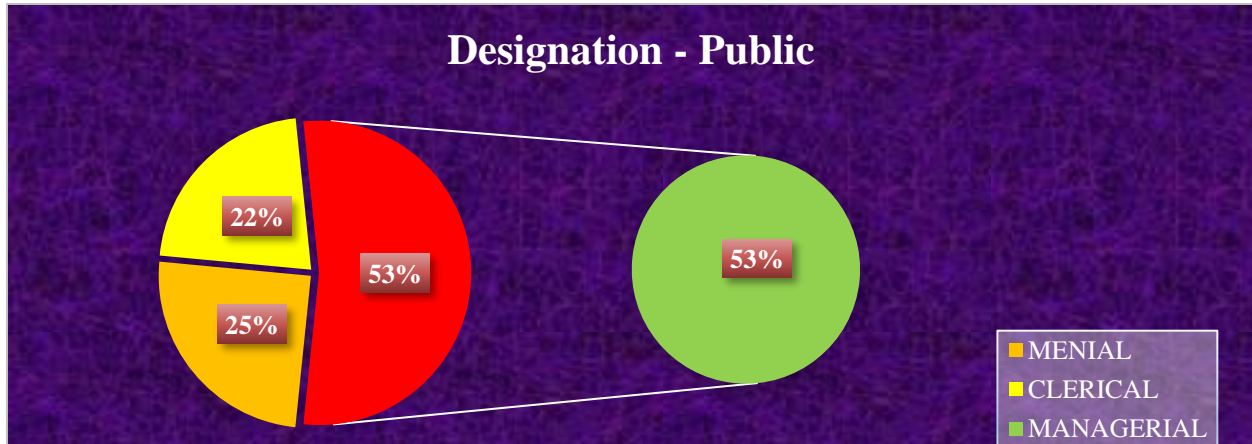
Source: Developed by the Researcher

Pie Chart 8, show the percentage of designation in Public Sector banks in which Menial are 25%, Clerical are 22% and with Managerial designation are 53%.

Chart No. 9:- Pie chart showing percent of Designation in Private Sector banks
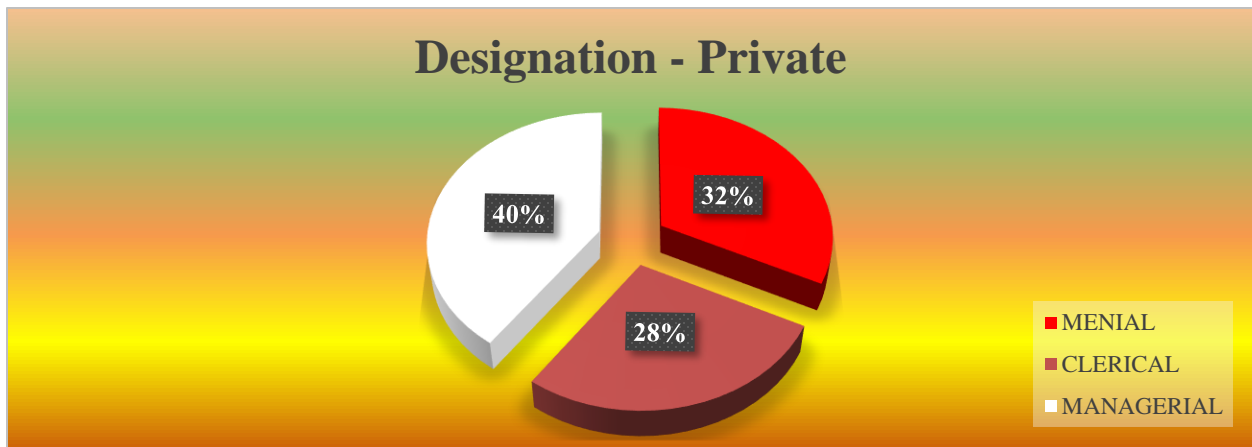
Source: Developed by the Researcher

Pie Chart 9, show the percentage of designation in Private Sector banks in which Menial are 32%, Clerical are 28% and with Managerial designation are 40%.

Table No. 2:- Table Showing Correlations of the Demographic Profile of the Investor Respondents

		EDUQUALF N	AGE	GENDER	DESIGN ATION
Educational Qualifications	Pearson Correlation	1	-.059	.282**	.389**
	Sig. (2 tailed)		.232	.000	.000
	N	405	405	405	405
Age	Pearson Correlation	-.059	1	.018	.061
	Sig. (2 tailed)	.232		.716	.220
	N	405	405	405	405
GENDER	Pearson Correlation	.282**	.018	1	.720**
	Sig. (2 tailed)	.000	.716		.000
	N	405	405	405	405
DESIGNATION	Pearson Correlation	.389**	.061	.720**	1
	Sig. (2 tailed)	.000	.220	.000	
	N	405	405	405	405

*Significant at 5% level **Significant at 1% level   Source: Primary Data/SPSS Output

A correlation analysis (Pearson two tailed) is presented in the table 2. It can be noted that the educational qualification and age are negatively correlated. Higher the age, lower educational qualification and vice versa. The age and the designation are also correlated positively. Higher the age, higher is the designation.

Table No. 3:- Table Showing the Descriptive Statistics of the Investor Respondents

Descriptive Statistics (Total Investors)						
Parameters	N	Rank	Minimum	Maximum	Mean	Std. Deviation
(F1)	405	3	1.57	4.71	3.7319	0.78162
(F2)	405	1	1.5	4.67	3.8531	0.75808
(F3)	405	6	1.2	4.6	2.9151	1.22325
(F4)	405	2	1.33	4.67	3.7901	0.73222
(F5)	405	5	1.5	4.75	3.4265	1.08275
(F6)	402	4	1.2	5	3.504	1.07143
(F7)	402	10	1.25	4.75	2.9011	1.14952
(F8)	402	8	1.32	4.65	3.3311	0.12412
(F9)	402	9	1.5	4.6	3.7262	1.12725
(F10)	402	7	1.2	4.61	3.1525	1.02625
Valid N (List Wise)	401					
Source: Primary Data/SPSS output developed by the Researcher						

In the Table 3, the mean of the Parameters can be observed. P2 is ranked first, P4 is ranked second, P1 is ranked third, P6 is ranked fourth and P5 is ranked five. These are for the total number of employees.

Table No. 4 :- Table showing Descriptive Statistics of the Public Sector Bank Employee Respondents

Descriptive Statistics of Public Sector Bank Employee Respondents						
Parameters	N	Rank	Minimum	Maximum	Mean	Std. Deviation
(F1)	201	4	1.71	4.71	3.7355	0.77331
(F2)	201	1	1.67	4.67	3.864	0.74965
(F3)	201	7	1.4	4.67	2.4221	1.0513

(F4)	201	3	1.33	4.67	3.8466	0.75044
(F5)	201	5	1.5	4.75	3.6754	0.86424
(F6)	201	2	1.4	5	3.8478	0.79781
(F7)	201	6	1.25	4.5	2.4826	1.18862
(F8)	201	10	1.23	4.76	3.536	0.72594
(F9)	201	9	1.4	4.67	3.731	0.86264
(F0)	201	8	1.65	4.62	3.277	0.28746
Valid N (List Wise)	201					

Source: Primary Data/SPSS output developed by the Researcher

In the Table 4, the mean of the Parameters can be observed. F2 is ranked first, F4 is ranked second, F1 is ranked third, F6 is ranked fourth and F5 is ranked five. These are the descriptive statistics for the for the total number of employees of the public sector banks in Dumka.

Table No. 5 :- Table Showing Reliability Estimates and Factor Loadings of the Total Investor Respondents					
Reliability Estimates and Factor Loadings (Total Bank Employees)					
Factors	Scale Item		Factor Loadings	No. of Items	Cronbach's A
1.Staff Adequacy(F1)	1	P1	0.827	7	0.735
	2	P2	0.798		
	3	P3	0.573		
	4	P4	0.623		
	5	P5	0.71		
	6	P6	0.828		
2. Internal Staff for implementation (F2)	1	P7	0.522	6	0.746
	2	P8	0.799		
	3	P9	0.873		
	4	P10	0.652		

	5	P11	0.864		
	6	P12	0.518		
3. Comprehensive Training Strategy(F3)	1	P13	0.72	5	0.806
	2	P14	0.844		
	3	P15	0.804		
	4	P16	0.645		
	5	P17	0.797		
4. Salaries and wages including bonus(F4)	1	P18	0.611	6	0.679
	2	P19	0.728		
	3	P20	0.826		
	4	P21	0.86		
	5	P22	0.529		
	6	P23	0.728		
5. Post-employment (F5)	1	P24	0.58	4	0.829
	2	P25	0.804		
	3	P26	0.704		
	4	P27	0.561		
6. Employee (F6)	1	P28	0.607	5	0.729
	2	P29	0.73		
	3	P30	0.581		
	4	P31	0.544		
	5	P32	0.845		
7. Others(F7)	1	P33	0.899	4	0.845
	2	P34	0.728		
	3	P35	0.826		
	4	P36	0.86		
8. Awareness and Efficiency(F8)	1	P37	0.529	5	0.875
	2	P38	0.623		
	3	P39	0.71		
	4	P40	0.828		

	5	P41	0.522		
9. Trust – Distrust Syndrome(F9)	1	P42	0.799	6	0.685
	2	P43	0.873		
	3	P44	0.652		
	4	P45	0.804		
	5	P46	0.704		
	6	P47	0.561		
10. Transparency of the Banks(F10)	1	P48	0.873	4	0.836
	2	P49	0.652		
	3	P50	0.864		
	4	P51	0.518		
NOTE- Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization Rotation converged in 3 iterations.					
Source: Primary Data developed by the Researcher Appendices					

In table 5, the results of the factor analysis are presented. All the ten parameters such as F1 to F10 along with their relevant statements have been analysed using Principal Component Analysis.

As per the factor loadings, items with .800 has been selected as principal component. Accordingly, it can be seen that for F1 (P1,P6), F2(P11,P13), F3 (P16,P17),F4(P22),F5(P27),F6(P34),F7(P35,P38),F8(P40), F9(P46) and F10(P48,P51) are considered as dominant principal components.

Table No. 6 :- Table Showing Reliability Statistics of Variables

Reliability Statistics : Variable – Staff Adequacy

Cronbach's Alpha	No.of Items
.436	6

Reliability Statistics : Variable – Staff Adequacy. The total number of items for F1 parameter Staff Adequacy is are 6 and the Cronbach alpha is .436. This presented in the table number 7.

Table No. 7 :- Table Showing Total Statistics of Items under Staff Adequacy

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
P1	18.1247	11.674	.186	.408
P2	17.7332	13.306	.107	.442
P3	17.7382	12.699	.169	.415
P4	18.1571	11.003	.273	.354
P5	18.2145	10.554	.302	.333
P6	18.1995	10.785	.227	.384
				Source: Primary Data/SPSS Output

For all the statements P 1 to P6, the Cronbach Alpha are presented in the table 8. The minimum is .333 for P5 and the maximum is .452 for P2.

Table No. 8 :- Table Showing the t-Test for Sector-wise Analysis of the bank Employees

TABLE for Total Investor (T test)							
Variables	t-Test for Sector-Wise Analysis of the Bank Employees						
					t-Value	Sign. Level (2-tailed)	Null Hypothesis
	Public Sector Banks N=201		Private Sector Banks N=204				
	Mean	S.D	Mean	S.D			
(P1)	3.726	0.798	3.737	0.767	-0.142	0.887	Accepted
(P2)	3.864	0.749	3.842	0.768	0.288	0.774	Accepted
(P3)	2.373	1.07	3.449	1.127	-9.845	0.000**	Rejected
(P4)	3.846	0.75	3.734	0.711	1.543	0.124	Accepted

(P5)	3.675	0.864	3.181	1.214	0.51	0.000**	Rejected
(P6)	3.847	0.797	3.16	1.194	6.875	0.000**	Rejected
(P7)	2.482	1.188	3.319	0.94	-7.83	0.000**	Rejected
(P8)	3.867	0.867	3.622	1.123	1.547	0.127	Accepted
(P9)	3.968	0.812	3.826	1.253	0.828	0.000**	Rejected
(P10)	3.762	0.971	3.525	1.674	0.826	0.000**	Rejected
**significant at 1% level							
Source : Primary Data/developed by the Researcher							

Table no. 8, shows the t-Test for Sector-wise Analysis of the Bank Employees in which public sector banks are 201 in number and private sector banks are 204 in number. Mean and Standard Deviation are calculated for both the Public and Private sector banks. P1, P2, P4, P8 are accepted and rest are rejected.

Table No. 9 :- Table Showing t-Test results for Locality –wise Analysis

Parameters	TABLE for Locality (T test)						
	t-Test for Locality–Wise Analysis of the Investors						
	Locality				t-Value	Sign. Level (2-tailed)	Null Hypothesis
	Urban		Rural				
	N=163		N=242				
	Mean	S.D	Mean	S.D			
(P1)	3.852	0.717	3.65	0.813	2.635	0.009**	Rejected
(P2)	3.864	0.709	3.845	0.79	0.238	0.812	Accepted
(P3)	2.813	1.213	2.983	1.227	-1.373	0.171	Accepted
(P4)	3.757	0.701	3.812	0.752	-0.732	0.465	Accepted
(P5)	3.487	1.065	3.385	1.094	0.933	0.351	Accepted
(P6)	3.479	1.066	3.52	1.076	-0.374	0.709	Accepted
(P7)	2.811	1.128	2.962	1.162	-1.294	0.196	Accepted
(P8)	3.476	0.524	3.726	0.726	0.424	0.837	Accepted
(P9)	3.484	1.267	3.625	1.045	0.345	0.938	Accepted

(P10)	3.726	1.123	3.614	1.087	0.625	0.736	Accepted
**significant at 1% level							
Source : Primary Data/developed by the Researcher							

Table no. 9, shows t-Test results for Locality –wise Analysis of the Bank Employees in which Urban people are 163 in number which is represented by "N" whereas Rural people are 242 in number. Both the localities are calculated in Mean and Standard Deviation. Null hypothesis was analyzed thereafter which show the acceptance and rejection of the different parameters.

Table No. 10 :- Table Showing The Total Count And Percentage Of Variables As Recorded By Investor Respondents

[Strongly Disagree -1, Disagree -2, Neither Agree nor Disagree -3, Agree -4, Strongly Agree – 5, Not Applicable] Please mark your response by rounding off the number against the statement.

I.   Staff Adequacy

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	My bank has adequate staff	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.2	My bank has staff fully aware of accounting	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

	procedures															
1.3	My bank has sufficient facilities for training the staff	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.4	My bank has staff willing to learn accounting procedures	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.5	My bank has sufficient education for learning accounts	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

			count	%age		count	%age		count	%age		count	%age		count	%age
1.6	My bank has staff who are willing to accept the IFRS/Ind AS procedures	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

II. Internal Staff for implementation

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	The IFRS/Ind AS will be implemented by internal staff itself	1	00	00	2	00		3	00	00	4	184	91.54	5	00	00
1.2	The Internal staff will	1	00	00	2	00		3	00	00	4	184	91.54	5	00	00

	take guidance for implementation															
1.3	The internal Staff will seek consultancy from Chartered Accountants	1	00	00	2	00	00	3	00	00	4	184	91.54	5	00	00
1.4	The internal staff will study the procedures from the manual	1	00	00	2	00	00	3	00	00	4	184	91.54	5	00	00
1.5	The interna	1	00	00	2	00	00	3	00	00	4	184	91.5	5	00	00

l staff will discuss among themselves for implementation														

III. Comprehensive Training Strategy

			count	%age		Count	%age		count	%age		cou nt	%age		cou nt	%age
1.1	The Banks have a comprehensive Training Strategy		1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.2	The banks will develop a compr		1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

	ehensive training strategy														
1.3	The banks will constitute committees for training	1	00	00	2	00	00	3	00	00	4	00	00	5 184	91.54
1.4	The banks will invite Chartered Accountants for Training the Staff	1	00	00	2	00	00	3	00	00	4	00	00	5 184	91.54
1.5	The banks will	1	00	00	2	00	00	3	00	00	4	00	00	5 184	91.5

	continue implementation and training simultaneously															

IV. Salaries and wages including bonus

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	The employees' salaries and wages including bonus are adequate currently	1	00	00	2	00	00	3	00	00	4	184	91.54	5		00 00

1.2	The employees' salaries and wages including bonus need revision due to increased work load after IFRS implementation	1	00	00	2	00	00	3	00	00	4	154	91.54	5	00	00
1.3	The employees' salaries and wages including bonus	1	00	00	2	184	91.54	3	00	00	4	00	00	5	00	00

	will not rise heavily after IFRS imple mentat ion															
1. 4	The emplo yees' salarie s and wages includi ng bonus will not impact IFRS	1	00	00	2	00	00	3	184	91. 54	4	00	00	5	00	00
1. 5	The emplo yees' salarie s and wages includi ng bonus are not	1	00	00	2	00	00	3	184	91. 54	4	00	00	5	00	00

			cou nt	%a ge		Cou nt	%a ge		coun t	%a ge		cou nt	%a ge		cou nt	%a ge
	the determ ining factors																

V. Post-employment Benefits

			cou nt	%a ge		Cou nt	%a ge		coun t	%a ge		cou nt	%a ge		cou nt	%a ge
1.1	Post emplo yment benefit s will rise substa ntially	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.2	Post emplo yment benefit s will margin ally rise	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.3	Post emplo yment benefit s will	1	00	00	2	00	00	3	00	00	4	18 4	91.54	5	00	00

	impact IFRS																
1.4	Post employment benefits will not be the determining factors	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

VI.   Employee Share Based Payments

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	Employee Share Based Payments will enhance	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.2	Employee Share Based Payments will	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00

	remain the same															
1.3	Employee Share Based Payments will decrease	1	184	91.54	2	00	00	3	00	00	4	00	00	5	00	00
1.4	Employee Share Based Payments will not impact IFRS	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.5	Employee Share Based Payments will not be the determining factors	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00

VII.   Others

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	Employee welfare will increase	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.2	Employee status will enhance	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.3	Employees will become internationally employable	1	00	00	2	00	00	3	00	00	4	184	91.54	5	00	00
1.4	Employees	1	00	00	2	00	00	3	00	00	4	184	91.54	5	00	00

			count	%age		Count	%age		count	%age		count	%age		count	%age
	will become more trained															
1.5	Employees will become updated in skills and knowledge	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00

VIII. Awareness and Efficiency

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	Banks should create greater awareness among all stakeholders	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.2	Banks should	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

		1			2			3			4			5		
	educate all stakehol ders about IFRS																
1. 3	Banks should educate all stakehol ders about NPAs	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91. 54
1. 4	Banks should educate all stakehol ders about "Bad Banks"	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91. 54
1. 5	Banks should avoid competiti ve informati on overload	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91. 54

| 1.6 | Banks should be more economical in functioning and reduce costs | 1 | 00 | 00 | 2 | 00 | 00 | 3 | 00 | 00 | 4 | 00 | 00 | 5 | 184 | 91.54 |
| 1.7 | Banks should enhance profits and benefits sharing | 1 | 00 | 00 | 2 | 00 | 00 | 3 | 00 | 00 | 4 | 00 | 00 | 5 | 184 | 91.54 |

IX.   Trust – Distrust Syndrome

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	Effective implementation of IFRS will increa	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

	se stakeh older trusts														
1. 2	Increa sed NPA has shake n the trusts of stakeh olders	1	00	00	2	0 0	00	3	00	00	4	00	00	5	184	91.54
1. 3	Greate r aware ness of IFRS will lead to effecti ve adopti on of IFRS	1	00	00	2	0 0	00	3	00	00	4	00	00	5	184	91.54
1. 4	Better comm unicati on strateg	1	00	00	2	0 0	00	3	00	00	4	00	00	5	184	91.54

		1			2			3			4			5		
	ies are needed to create Trust among stakeholders															
1.5	Bad Bank introduction will facilitate adoption of IFRS	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00
1.6	Bad Bank introduction will enhance the Depositor-Investor trust.	1	00	00	2	00	00	3	184	91.54	4	00	00	5	00	00

X.   Transparency of the Banks

			count	%age		Count	%age		count	%age		count	%age		count	%age
1.1	Financial accounting is crucial for investors and lenders to assess the solvency of businesses.	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54
1.2	Financial accounting provides transparency and access to information concerning the operations of a	1	00	00	2	00	00	3	00	00	4	00	00	5	184	91.54

	company .																
1.3	With standardized accounting practices, investors can compare the financial statements and performance of banks with other banks to decide investments	1	00	00	2	00	00	3	00	00	4	00		00	5	184	91.54
1.4	With IFRS, Investors and depositors can know if	1	00	00	2	00	00	3	00	00	4	00		00	5	184	91.54

the bank is making profit and worth trusting for deposits and investments																

The responses of the employees of the public sector bank as measured on the Likert scale are presented on the Table No. 10. The descriptive statistics in terms of percentages were worked out. The following observations are noted. The total number of respondents were 201. Out of which 184 have measured most of the statements. The count of responses and the related percentages are given in the table.

VI. CONCLUSION

The data as collected and analysed provide a picture of the situation of investors in the commercial banking sector of the sample banks. The perceptions of the sample respondents can be deciphered from the responses as elicited through the questionnaire which was based on a Likert Scale.

From the demographic profile of the depositor respondents run with a correlation of the parameters shows that the educational qualification is negatively correlated thereby signifying that higher the age, lower is the educational qualification. This is easy to comprehend because the more aged, people had lower educational qualifications and the new recruits and younger employees have acquired higher qualifications. Age and designation are positively co-related thereby meaning that as the employees advance in age, their designations improve due to promotions and filling up of higher positions.

It is interesting to note that in the private and public sector banks, more than fifty percent of the employees fall under the category of 18-35 age groups. Similarly, male employees are 73% in the

public sector and it is 68% in the private sector. In both sectors, the males dominate in terms of percentage. In the matter of education, both the sectors have more employees who are above matriculation and graduation. In both the sectors, the managerial staff are more in percentages. The 10 factors as identified by the Reserve Bank of India are Staff Adequacy (F1), Internal Staff for implementation (F2) Comprehensive Training Strategy (F3), Salaries and wages including bonus(F4), Post employment benefits (F5), Employee Share Based Payments(F6), Other Employee Benefits(F7) Awareness and Efficiency (F8) Trust – Distrust Syndrome(F9) Transparency of the Banks (F10). The parameters affecting these factors have been measured and reported.

In overall assessment, the investors perception is favorable to the adoption and implementation of IFRS in the banking sector. Nevertheless, much more has to be done at the ground level for the required preparedness of the commercial banking sector in India for the full and complete adoption and implementation of the IFRS in the banking sector in India.

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