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Influence of National Indicators on KSE Stock Index Variation
(An Evidence from Karachi Stock Exchange Listed Companies Stakeholders)

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Abstract

The aim of this research article is investigates perceptions of Karachi Stock Exchange (KSE) stake holders regarding influence of national indictors affecting on Karachi Stock Exchange index. Self-administered structured questionnaire distributed conveniently among 140 stake holders of Karachi Stock Exchange. Data analysed through SPSS version 20 and descriptive statistics mean frequency and % exposed; Karachi Stock Exchange stake holders perceived that national indicators have significant influence on Karachi Stock Exchange index variation. Results determine that due to political uncertainty in Pakistan effect on Karachi Stock Exchange Index variation. Conclusion matched with findings of previous studies also.

Keywords: Stock Index Variation; Karachi Stock Exchange; National Indicators Influence; Influencing Indicators of Pakistan; KSE Stake Holders.

Introduction of the Study

Overview and Background

Karachi Stock Exchange admits companies for trading at their securities in Pakistan. It provides a market for raising capital by companies. It provides a market place for shares of listed public companies to be bought and sold, by bringing companies and investors' together at one place. Exchange's role is to monitor market to ensure that it is working efficiently, fairly and transparently. There are three stock exchanges in Pakistan:

1. Karachi Stock Exchange (Guarantee) Ltd.
2. Lahore Stock Exchange (Guarantee) Ltd.
3. Islamabad Stock Exchange (Guarantee) Ltd.

Karachi Stock Exchange is biggest exchange in country. Stock exchanges have introduced a computerized trading system to provide a fair, transparent, efficient and cost effective market mechanism to facilitate investors. Trading system comprises of four distinct segments, which are: T+3 Settlement System; Provisionally Listed Counter; Spot Transactions; and Futures Contracts.

In T+3 settlement systems, purchase and sale of securities is netted and balance is settled on third day following day of trade. Basic benefits of T+3 settlement system are to reduce time between execution and settlement of trades, which in turn reduces market risk. It reduces settlement risk, as settlement cycle is shorter. In Provisionally Listed Counter shares of companies, which make a minimum public offering of Rs.100 million, are traded on this segment from date of publication of offering documents When company completes process of dispatch/credit of allotted shares to subscribers, through CDC it is officially listed and placed on T+3 counter. Trading on provisionally listed counter n comes to an end and all outstanding transactions are transferred to T+3 counters with effect from date of official listing. In Spot/T+1 Transactions Spot transactions imply delivery upon payment. Normally in spot transactions trade is settled within 24 hours. However a futures contract involves purchase and sale of a financial or tangible asset at some future date, at a price fixed today. In KSE each share represents a small stake in equity of a company. You can buy large or small lots to match amount of money you want to invest. A company's share price can rise or fall as a result of its own performance or market conditions. In KSE once shares are brought and transferred in your name your name will be entered in company's share register, which will entitle you to receive all benefits of share ownership including rights to receive dividends, to vote at company's general meetings to receive company's reports. If you decide to sell your shares you will need to deliver share certificates to broker in time for transaction to be completed. With introduction of Central Depository System (CDS), an investor can have shares in paper form or can own shares in an electronic book- entry form at Central Depository Company (CDC). Companies issue shares to raise money from investors. This money is used for development and growth of businesses of companies. A Company can issue different types of shares such as ordinary shares, preference shares, and shares without voting rights or any or shares as are permissible under law. These give shareholders a stake in company's equity as well as a share in its profits, in form of dividends, and a voting right at general meetings of shareholders. Studies have shown that over a twenty-year span, investment in shares has provided greater returns than most or forms of savings. Shares can provide you with a regular stream of income through dividends as well as potential for your investments to grow in value. If prices of shares go up, you can sell m for more than you paid. This is called capital gain. Dividends are returns paid to shareholders out of profits of company. Returns can be in form of cash or additional shares of company called bonus shares. Dividends are usually paid once or twice a year depending upon company's profit distribution policy. Capital Growth is one of ways in which shares differ from deposit accounts. Principal amount of money you put in a bank or any fixed income savings scheme always stays same e.g. if you start with Rs.100, 000 you will always have Rs.100, 000 (or than any interest earned). Changes in value according to performance of company. With good management, value of your investment in shares of a company can grow over time so that your shares are worth more than you paid for m. This is capital growth. There are risks and rewards in buying shares can offer advantages over saving in deposit accounts: your investment may increase in value besides paying you dividends. You share rewards when company does well and price of shares goes up. But if company performs badly, share price may go down and value of your investment will be reduced. Other factors, such as performance of stock market as a whole and general economic climate, may also affect price of your shares. Investment in shares is Therefore investment in 'risk capital'. Shareholders can be rewarded for taking this risk and potential return on your money can be higher than that on or investments. You can reduce your risks with careful planning.

There is vital role of stock exchange in any nation. A decent execution of National indicators effect in stock returns. In case of Karachi Stock Exchange re is a solid indicator of rigorous economy. As a result of aforementioned reasons, stock merchants distinctly watch any single development of stock record which may influence their forthcoming productivity or help them to evaluate their stock and exchange services. They additionally acutely watch economy; any sudden occurrence or change that may influence their choices of purchasing and offering stocks. Three stock trades are at present working in Pakistan in particular three stock exchanges KSE, ISE and LSE. Diverse budgetary emergencies are connected with distinctive variables, yet all real emergencies. In Latin America, 1994 East Asian, 1997 Argentina, 1994 Turkey, 2001 and worldwide monetary emergency, 2000-01 and again 2007 have one normal trademark; that is concurrent influence on expenses of stocks and coinage. Notwithstanding, this synchronous impact has brought up an issue that is main indictor bringing on or factors to move. However no treaty has yet been attained on nature and legend of relationship between stock exchange records and conversion scale developments. Discoveries on issue of causation are blended. In literature re is association among diverse money related markets and national indicators. Further there are three methodologies. These are portfolio approach, conventional methodology and resource approach. As per portfolio approach, progressions in stock exchange lead to changes in swapping scale because of portfolio conformity made by financial specialists. Here portfolio change alludes to methodology of inflow and outpouring of capital. While as per customary methodology, conversion scale causes stock costs to move. broadcast station of customary methodology is that swapping scale variation do influence monetary record of organizations by changing their benefits and obligations, named in remote coin, subsequently altering aggressiveness of nation and its fare situated organizations in outside businesses which is eventually, revealed in securities exchange. As per resource approach, coin cost is equivalent to mark down future money costs and re may not be any connection among cash business, deposit in banking sector and investment business in Karachi Stock Exchange. In previous research work in this field there were discoveries regarding association between capital markets and money markets which need accord and harmony.

A few analysts like (Abdalla et al. 1997) discovered cause and effect running from conversion scale changes to stock exchange returns while few researchers discovered precisely inverse running from stock exchange comes back to trade charges. Positive affiliation running from stock comes back to trade tariffs can be advocated as takes after. In event that stock returns are higher, neighbourhood speculators will offer their outside resources and will purchase local resources. This change of remote resources into household ones will expand interest for nearby money in outside trade showcase by putting upward weight on expense. Furthermore, increment in stock returns expands abundance of neighbourhood financial specialists and stake holders additionally request extra cash, which at last results in higher premium tariffs. On off chance that premium rate equality hypothesis does not totally balance premium rate variance, greater premium rate would draw attention in capital from different nations into nearby stock exchange pretty much as Germany pulled in money European nations in last century via expanding investment tariffs. Adverse relationship of securities comes back by trade tariffs alongside causation running from swapping scale to capital costs can be advocated in light of fact that if home money devalues, interest for fares of neighbourhood companies will increment worldwide marketplaces, when many or someone get to be less extravagant about remote purchasers. Securities exchanges reflect this execution through climb in their stock costs. Powerless cash might not have positive effect on fares as a result of counter estimating and prearranged worldwide exchanges. A frail or even no relationship between swapping scale and stock exchange can likewise, be advocated. As indicated by resource market hypothesis, conversion scale is simply cost of a benefit, which is equivalent to normal future trade tariffs. Any variable influencing conversion scale in upcoming time period would influence current coin value. Further this is redundant that variables influencing trade tariffs and factors or national indicators which influencing stock returns in terms of impact on stock Index of Karachi Stock Exchange. So as indicated by testable hypothesis, re is no any connection between trade tariffs and stock exchange lists. Notwithstanding this, criticism relationship might likewise exist, which two way causation and connection executing through stock exchange to swapping scale (Portfolio parity method) and from conversion standard to stock exchange referred to out-dated methodology. Similarly active communication of stock exchange proceeds and trade tariffs are first zone of enthusiasm for this analysis. Karachi Stock Exchange has large level hazard exceptional yield marketplace and therefore speculators look for more-chance of premium (Nishat, 1999).

Few researches have endeavoured to identify extended term conduct of business (Nishat, 1991). Further research work has not been carried out to explore and identifies principal indictors influencing offer costs. Components influencing offer costs recognized for tiny track (Nishat, 1995; Nishat and Saghir, 1991). Just Likewise imperative to test the variables in Pakistani context and connection. Later on presenting changes got stressed extra near to directness to remote speculators rivalry. However changes accentuation was obtained on data exposure through organizations. Documentations expanding by firm head offices and venture organizations give extra criticism for speculator.

About Karachi Stock Exchange (KSE)

A largest securities exchange in Pakistan is Karachi Stock Exchange and it is the second most established securities exchange in Pakistan. It is situated in trade street, Karachi, Sindh region. In 2009, upwards six hundred fifty four organizations recorded in such business sector having aggregate business underwriting about 30 billion U.S dollars, from Pakistan and abroad. Karachi Stock Exchange found up in 1947 and enrolled in 1949. Exchanging Karachi stock trade began with 50 shares file, which transformed into Karachi Stock Exchange 100 record in 1991. From that point forward, it is being utilized as maximum acknowledged amount of business execution. Later on about four to five year time period, it remained to gauge execution of whole marketplace. In 1995 Karachi Stock Exchange stocks file was made and Stock Exchange grow up with highest index record. Karachi Stock Exchange stocks list and Karachi Stock Exchange files were additionally used to quantify execution of Karachi Stock trade. Karachi Stock Exchange-100 index recorded business organizations are chosen upon evidence of their business sector. Express to whole market, an organization having most astounding promotion chosen through every segment. In 2002, Business week pronounced Karachi Stock Exchange as best performing market on planet. Notwithstanding, in 2008, Karachi Stock Exchange 100 index began moving down. This is somewhat because of races year in nation and mostly because of worldwide money related emergency. Karachi Stock Exchange is known fluid stock trade having half thousand organizations recorded. It is extraordinary established stock trade in South Asia courtiers (Bashir et al 2011). Purpose of this study is to investigate National indictors' effect in Karachi Stock Exchange Index variations by utilizing new procedure. A customary technique for discovering national indictors' effect has been measured and embodied.

Problem Statement and Definition

Down fall of KSE index point is a major problem and it causes to reduce the investment in country and in KSE listed companies especially due to bad incidents occurrence in Pakistan. The KSE index falling variation has bad image and impact on KSE stakeholder, economy of Pakistan and as result decrease in volume of foreign and local investment. Different incidents in country are directly associated with the risk of capital and investment in Pakistan.

To cater, control and manage the KSE down fall index point variation there is intense need to identify such risky and unfavourable factors so that all stakeholders should get alert find out solution to this problem. Therefore researcher has chosen this hot and serious problem so that the stakeholders get benefits ultimately from solution to such type of problem.

Rationale and Justification of the Study

National indicators influence the KSE index point falling which causes to eliminate the investment opportunities and decrease overall nation capital volume. Therefore it is a topic of wide interest to both the KSE management and their organizations and all other stakeholders as well; this is because it is the matter of money and investment. Thus it would be worthwhile to investigate the existence of those factors among KSE major stakeholders; thereby, to overcome these influencing factors by policymaker and government. After that to increase revenue and satisfaction of stake holders. Hence this topic has valid justification.

Significance of the Study

The study will be beneficial to government of Pakistan, KSE management and KSE listed companies' owners. The study would also vital and significant for all stake holders of KSE locally and internationally. The current study will be helpful to investors and financial institutions also.

Objectives of the Study

The Following are particular objectives:

a. To identify factors influencing Karachi Stock Exchange Index.

b. To know perceptions of stake holders regarding factors influencing on Karachi stock indexing fluctuation.

c. To rank national indicators affecting on Karachi Stock Exchange Index variation.

Research Questions

- What are perceptions of the sampled respondents about KSE index variation or down fall?
- Which indicator has/have most crucial and causes to KSE index point falling?
- Which factor has/have least influence to KSE index point decreasing?

Review of Related Literature

Introduction to Related Work Review

This part is deals with review of related literature in terms of what has been done by other researchers and peoples in past prior to current study. The exchanging of budgetary subsidiaries has gotten broad consideration, while in the meantime it has prompted a verbal confrontation over its effect on the fundamental stock exchange from different features by the academicians. The analysts everywhere throughout the world have done research on subsidiary exchanging and had the capacity discover different realities about subordinate and it's exchanging. In this writing audit endeavors have been made to bring into the picture the examination done about different issues all through the world by the analysts. The writing overview and audit is displayed in four areas: first and foremost, the survey of studies crucial to capital business of India; second, the survey of studies identifying with the testing of capital business productivity; third, the audit of studies concerning the unpredictability study; last, the survey of studies examining the causal connection in the middle of spot and file fates market.

Capital Market of Pakistan

There has been an extensive variety of studies concerning monetary area changes all in all, and capital business changes specifically, since mid 1980s in Pakistan. This area highlights certain imperative studies that are connection important. A few studies remark upon the Pakistan capital market when all is said in done and exchanging frameworks in the Karachi stock trades specifically and propose that the frameworks in that are somewhat old-fashioned and wasteful, and experience the ill effects of significant shortcoming and acts of neglect. As per the greater part of these studies, critical changes are obliged if the stock trades are to be equipped to the imagined development in the Pakistan capital business sector. Barua et al (1994) attempts an extensive evaluation of the private corporate obligation showcase, general society area security advertise, the govt. securities showcase, the lodging account and other obligation advertises in India. This gives a symptomatic investigation of the condition of the Pakistan obligation business sector, prescribing important measures for the advancement of the optional business sector for obligation. It highlights the need to incorporate the managed obligation market with the free obligation showcase, the need for business making for financing and supporting choices and premium rate subsidiaries, and expense changes. Cho (1998) focuses out the explanations behind which changes were made in Pakistan capital business expressing the after change improvements. Shah (1999) depicts the monetary area changes in our nation as an endeavor at creating budgetary markets as an option vehicle deciding the designation of capital in the economy. Shah and Thomas (2003) audit the progressions which occurred in Pakistan.

Equity and debt markets in the decade of the 1990s. This has concentrated on the criticalness of emergencies as a component for getting changes. Mohan (2004) gives the justification of budgetary segment changes in Pakistan, arrangement changes in the monetary part, and the results of the money related division change prepare in some point of interest. Shirai (2004) inspects the effect of budgetary and capital business sector changes on corporate fund in India. India's money related and capital business changes subsequent to the early 1990s have had a positive effect on both the managing an account area and capital markets. The paper contends that India ought to construct a framework that will encourage sound capital markets and fortify banks' motivators for better hazard administration. Chakrabarti and Mohanty (2005) observe how investment market in Pakistan developed in the variation period. Thomas (2005) clarifies the monetary segment changes in Pakistan with stories of accomplishment and additionally disappointment. Bajpai (2006) motives that the wealth market in Pakistan got experienced different phases of liberalization, carrying about basic and organizational alterations in the business outline and process, bringing about more extensive venture decisions, uncommon lessening in exchange expenses, and proficiency, straightforwardness and wellbeing as likewise expanded joining with the worldwide markets. Gurumurthy (2006) lands at the conclusion that the accomplishments in the money related division demonstrate that the monetary area could get to be aggressive without including undesirable rivalry, inside the requirements forced by the macroeconomic arrangement stance. Mohan (2007) surveys Pakistan's methodology to money related division changes that set in procedure since ahead of schedule 1990s. Allen, cemani, and De (2007) infers that with late development rates among expansive nations second just to China's, pak has encountered out and out a financial change following the liberalization process started in the early 1990s. Chhao chharia (2008) touches base at the determination that Pakistan has more present day money related and managing an account framework than China that assigns capital in a more productive way. In any case, the study is incredulous about who would rise with the stronger capital business, as both the nation is confronting difficulties in regards to their capital markets. Prasad and Rajan (2008) contends that the time now make a more coordinated push around the up and coming era of budgetary changes. The study advocates that a becoming and progressively perplexing business sector situated economy and its more prominent coordination with worldwide exchange and fund will oblige deeper, more proficient, and decently directed monetary markets. The survey and review of literature about the financial sector reforms in Pakistan reveals that the improvements followed dynamically. The reforms also brought into inter-linkage of financial markets across the globe leading to new product development and sophisticated risk management tools Gregory, K. and Michael, T. (1996, et al)

The study secured investment opportunity contracts for four months from Nov. 2002 to Feb. 2003 comprising 77 exchanging days. The study presumed that net open enthusiasm of investment opportunity is one of the critical variables in deciding future spot cost of basic offer. The results unmistakably showed that open investment based indicators are factually more noteworthy than volume based indicators in Pakistan setting. Almost existing researches proved that the equity return has optimistic effect on the FII (Agarwal, 1997; Chakrabarti, 2001; and Trivedi & Nair, 2003). At same time given the immense volume of ventures, outside speculators could assume a part of business sector creators and book their benefits i.e., they can purchase budgetary resources when the costs are declining in this manner jacking-up the benefit costs and offer when the advantage costs are expanding (Gordon & Gupta, 2003). Henceforth, there is a probability of bi-directional relationship in the middle of FII and the value returns. Masih AM, Masih R, (2007), had considered "Worldwide Stock Futures: A Diagstinoc Analysis of a Selected Emerging and Developed Markets with Special Reference to pakistan, by utilizing devices connection coefficients , granger's causality test, expanded Dicky Fuller test (ADF), Elliott, Rothenberg and Stock point ideal test. The Authors, through this paper, have attempted to figure out what sort of relationship exists in the middle of developing and created prospects markets of chose nations. Kumar, R. also Chandra, A. (2000), had concentrated on that Individuals frequently put resources into securities focused around estimated general guideline, not entirely tuned in to economic situations. Their feelings drive their exchanging conduct, which thusly drives resource (stock) costs. Speculators fall prey to their own slip-ups and once in a while other's oversights, alluded to as group conduct. Markets are productive, progressively demonstrating a hypothetical idea as practically speaking they barely move effectively. The absolutely levelheaded methodology is being subsumed by a more extensive methodology based upon the exchanging feelings of speculators. The present paper archives the part of passionate predispositions towards speculation (or disinvestment) choices of people, which thus constrain stock costs to move. Srivastava, S., Yadav, S. S., Jain, P. K. (2008), had led a review of intermediaries in the as of late acquainted subsidiaries showcases in Pakistan with analyze the dealers' evaluation of business movement and their view of profits and expenses of subordinate exchanging. The requirement for such a study was felt as past studies identifying with the effect of subordinates securities on Indian Stock business don't cover the impression of business members who structure a vital piece of the working of subsidiaries markets. The issues secured in the review included: view of merchants about the allure of diverse subordinate securities for customers; profile of customers managing in subsidiary securities; ubiquity of a specific subsidiary security out of the aggregate set; distinctive purposes for which the customers are utilizing these securities as a part of request of inclination; issues concerning subsidiaries exchanging; explanations behind non use of subordinates by a few financial specialists. The speculators are utilizing subordinate securities for distinctive purposes after its entrance into the Indian Capital business sector. They utilize these securities for danger administration and benefit upgrade as well as for hypothesis and arbitrage. High total assets people and exclusive brokers represent a huge extent of dealer turnover. Interestingly, some retail support was likewise seen in spite of the way that these securities are past the span of retail financial specialists as a result of many-sided quality and high initial cost).

According to (Naresh, G., 2006) considered over the element development of the Derivatives market, especially Futures & Options and the apparent dangers to the monetary segment keep on fortifying level headed discussion on the correct regulation of these instruments. Despite the fact that this business sector was at first fuelled by different master groups overview, administrative structure, proposals byelaws and leads there is still a civil argument on the current regulations, for example, why is regulation required? At the point when and where regulation required? What are sensible and feasible objectives of these regulations? Subsequently this article basically looks at the perspectives of business members on the current administrative issues in exchanging Derivative securities in Indian capital business sector conditions. The development and development of the business sector for subordinate instruments is a result of the eagerness of danger loath monetary specialists to monitor themselves against instabilities emerging out of changes in resource costs. By furnishing speculators and guarantors with a more extensive exhibit of instruments for overseeing dangers and raising capital, subsidiaries enhance the designation of credit and the offering of danger in the worldwide economy, bringing down the expense of capital arrangement and empowering monetary development. Since world markets for exchange and money have ended up more coordinated, subordinates have reinforced these essential linkages between worldwide markets, expanding business liquidity and proficiency, and have encouraged the stream of exchange and fund. Emulating the becoming unsteadiness in the monetary markets, the money related subsidiaries picked up conspicuousness after 1970. Lately, the business sector for monetary subsidiaries has become as far as the assortment of instruments accessible and in addition their unpredictability and turnover. Budgetary subordinates have changed the universe of account through the production of creative approaches to appreciate, measure, and oversee dangers. Pakistan began as a controlled economy and step by step moved towards a world where costs vary consistently. Subordinates in this setting will give extensive variety of profits to the speculators, as a danger administration instruments. Subsequently permitting subordinate exchanging is obliged to pull in more ventures from local sources as well as from off shores. In this appreciation the liberalization process has come about into advancement of subordinates market in Pakistan.

Efficiency of Karachi Index Market

The procedure of money related liberalization in the forming nations has brought into the expanded stream of stores from the created nations. The quick changes in the field of Information Technology, has lead to a dynamic coordination of the developing markets with the created markets. The Pakistan markets are no special case to this marvel. Because of liberalization India is pulling in remote direct ventures as well as outside portfolio speculations. Monetary prospects contracts are key instruments in portfolio administration, as they take into consideration hazard transference. Also, subsidiary markets assume an essential part inside the value disclosure procedure of basic resources. Karachi Stock record prospects have moderately lower exchange expenses and capital necessities, so the landing of outer data is immediately consolidated into costs as financial specialists' desires are redesigned. In these manner stock list fates markets have encountered a considerable increment in exchanging movement, since the presentation of prospects on lists. In the connection of above data assumes an indispensable part in productive value disclosure as well as in the making of air pockets (absence of data stream). The part of rises in budgetary markets is unpredictably joined with the subject of educational proficiency. The reason is both that rises above and beneath crucial qualities are an infringement of business proficiency, and that the basic worth itself and deviations from it must be characterized with reference to a system of enlightening effectiveness in a business (cp. Move's investigate in Roll, 1977). On account of this perception, this segment begins with a short prologue to the theme of business effectiveness and quickly audits proficiency of Karachi Stock market after the presentation of list fates. The subject of business productivity has been strongly mulled over most recent 40 years. The primary standard of business effectiveness was united in 1970 by Eugene Fama in his "Productive Capital markets: A survey of hypothesis and observational work". Fama characterized a productive market as "A business in which costs dependably 'completely reflect' accessible data", and proposed the arrangements of powerless structure, semi-solid structure, and solid structure market effectiveness to concretize the "accessible data." These three classes have at this point turned into the standard in portrayals of business proficiency. In any case, the historical backdrop of the proficient business speculation had started prior. Bachelier (1900) laid the hypothetical basis for the proficient business sector speculation, which was proposed a large portion of after a century by Maurice Kendall. Kendall (1953) studied that stock costs advanced haphazardly. The information offered no real method to anticipate upcoming value developments. Clarification for this marvel about the productive business speculation, at first appeared irrational to the scholastic group. Notwithstanding, after the first stun had passed, researchers immediately grasped the hypothesis and started to record its legitimacy in certifiable markets by contemplating exact information. To do along these lines, they created diverse systems to model the qualities of business costs. The principal kind of system – focused around expected return productive markets incorporates such extraordinary models as the reasonable amusement demonstrate, the irregular walk and the sub-martingale models, and the business sector model and the acclaimed capita resource estimating model (CAPM) of Sharpe (1964); Lintner (1965); Mossin (1996). From1950-1970, researches focused around the CAPM and reasonable amusement models discovered proof reliable getting proficient business speculation. According to (Fama, 1970) some proof unexpectedly from the difference based writing, by the early 1970s businesses had in this manner generally supposed to be effective in the semi strong structure.

A useless of models used to test business sector proficiency concentrates on difference as trademark. Shiller (1981) reported that stock costs so unpredictable there was no option be proficient when contrasted with resulting profit expenses. Marsh and Merton (1986) demonstrated that previous and current study findings could be switched by a change in suspicions in regards to the profit model. Gupta and Singh (2006) assessed the costs disclosure proficiency of value fates in diverse nations to be specific USA, Netherlands, Germany, Australia, Taiwan, Pakistan, and Hong Kong separately and watched critical proof of productive value revelation through value prospects market. They took week by week shutting costs from April 1990 to February 2004. They utilized difference proportion test to discover whether these eight business sectors end up being mean returning or not. The fundamental discoveries were that five business sectors (Indonesia, Malaysia, Philippines, Singapore and Thailand), show particular mean returning and prescient conduct of stock costs while two businesses (Taiwan and Korea) demonstrate some mean- returning and flighty examples in the time arrangement. Gupta and Singh (2006) additionally made an endeavor to explore the value disclosure productivity of the Nifty fates by considering long time span and their results demonstrated the confirmations that prospects market has been a productive value revelation vehicle. Floros and Vougas (2008) analyze effectiveness of the Greek stock list prospects market from 1999 to 2001. The results demonstrate that the Greek Futures markets are enlightening more effective than basic Karachi stock exchanges. Zhang et al (2010) tests the irregular walk theory and feeble structure market productivity in the VIX prospects business utilizing a mixture of tests. A unit establishes in the amassed business sector value arrangement recommends that the VIX fates business sector is proficient. At the individual VIX prospects cost arrangement, 51 of 54 fates contracts meet the sufficient condition for a proficient business sector: the costs are found to take after an irregular walk either in light of the fact that there is a unit root or in light of the fact that the augmentations are not connected. Generally speaking, the business sector for VIX fates has been effective since the first day of exchanging. In this manner, it is watched that the investigation of effectiveness of the prospects business is essential from the perspective of a developing business like India.

Volatility of Index Futures Market

The unpredictability of Karachi stock prospects market has been contemplated by various analysts from distinctive plot. Regardless of a contradiction of the scientists with respect to the sort of impact that the business of subsidiaries has on the hidden business sector, the majority of them concur that it is advantageous regardless of the possibility that the unpredictability is expanded or diminished in light of the fact that the subordinates' business sector goes about as an impetus for the dispersal of data. Especially, Danthine (1978) inferred that the subordinates' business expands the profundity of a business and thus diminishes its instability. The destabilization hypothesis contends that the presentation of fates exchanging expands spot instability. For instance, Harris (1989) archives peripheral increments in the changes of S&P 500 stocks in the wake of exchanging S&P 500 file fates started. Lockwood and Linn (1990) report comparative change builds when list prospects started exchanging 1982. Brorsen (1991) finds that fates exchanging have a tendency to decrease autocorrelations and build the unpredictability of record stock returns. Lee and Ohk (1992) record that the unpredictability of stock returns in Australia, Hong Kong, Japan, the U.K., and the U.S. rose essentially, emulating the presentation of list fates.

Kolmogorov-Smirnov two-example test and Wilcoxon Rank total test are utilized to see whether the scattering is altogether high in the post-fates period. The results demonstrate that the everyday returns unpredictability is higher in the post prospects period while the month to month returns stay unaltered. He infers that increment in unpredictability of day by day return in the post-fates period is fundamentally not identified with the beginning of prospects exchanging. James (1993) contemplated the effect of value disclosure by fates showcase on the money market instability. The study is led utilizing Garbade and Silber model to gauge the value disclosure capacity of the fates market. The results confirm that fates business sector is helpful as for money showcase as it offers better effectiveness, liquidity furthermore brings down the long haul instability of the spot market. Jegadeesh and Subrahmanyam (1993) think about the spread in NYSE previously, then after the fact the presentation of prospects on S&P 500 list as instability can likewise be measured as far as individual stock offer ask spread. They find that normal spread has expanded ensuing to the presentation of prospects exchanging. When they rehash their test by controlling for elements like value, return difference, and volume of exchange, despite everything they discover higher spreads amid the post-prospects period. General consequences of Jegadeesh and Subrahmanyam (1993) recommend that presentation of record fates did not lessen spreads in the spot market, and there is powerless proof that spreads may have expanded in the post prospects period. Darrat et al (1995) looks at if prospects exchanging movement has brought on stock value unpredictability. Min and Najand (1999) explored lead and slack connection between currency businesses. With respect to the investigation results; prospects business drives the money advertise by the length of 30 minutes.

Causality between Stock index and Index Futures Market

There exist various studies in Pakistan and abroad concerning the examination of the lead-slack connection in the middle of spot and record fates markets. Kawaller, Koch and Koch (1987) assessed the lead-slack association between S&P 500 record prospects and S&P 500 file utilizing synchronous mathematical statement model and discovered a stronger driving part of the fates business sector to the rare exchanging of segment stocks. Finnerty and Park (1987) found a critical lead-slack relationship in the middle of fates and spot costs. Herbst et al. (1987) analyzed the connection between S&P 500 fates, quality line prospects and spot records and reasoned that the prospects costs lead their spot lists together with evidences of higher lead for more time spans. Tang, Mak and Choi (1992) concentrated on the connection between stock list prospects plus trade file costs in for cold hard currency Hong Kong, which uncovered that fates costs reason money record costs to change in the perish period yet not the other way around. Chan (1992) assessed the lead-slack connection between real market file and significant business sector record fates under states of great and terrible news, distinctive exchanging intensities and under differing marketplace widespread developments. ARMA models utilized as well as watched prospects business sector drove the spot business, and this was principally because of speedier data preparing by the fates market. Be that as it may, under terrible news it was the money record that drove over the fates business while, there was no impact on the Lead-slack connection amid distinctive exchanging intensities. Ghosh (1993) tried the appropriateness of the Co-integration and blunder amendment models between S&P 500 record and its list future costs and inferred that there exist Co-integration relationship between the file and its future costs. Abhyankar (1995) watched that there are a few reasons that why the lead-slack relationship may exist. First and foremost, the lead-slack connection between promotion file and future marketplaces may be brought on by rare exchanging of the composite stocks. That is, the point at which the list is reweighed come what may, some composite stocks' costs taken by the file may well not be the cost on which the business recently exchanged. It is especially the situation when the stocks are not exchanged habitually. In this way, the value the file takes is just the "stale" cost. On the off chance that record future cost should reflect the quick input to the progressions in business wide data stream, the spot list containing "stale" costs ought to linger behind the future cost. Second, liquidity distinction between these two businesses may be the foundation for the lead-slack relationship. On the off chance that composite firms in the file take longer time to exchange than the record future, far reaching data will be imbued more rapidly into the valuing than into spot market. Accordingly, it is clear that the lead-slack relationship is a capacity of relative liquidity as opposed to unquestionably the liquidity. Third, advertise grindings (e.g. exchange costs, capital necessities, and short-offering limitation) can make the future markets more appealing to merchants with private data to endeavor the data advantage. Also, Chan (1992) pointed out other conceivable hotspots for the lead-slack impact. For instance, Gottlieb and Kalay (1985) accepted that discreteness of spot stock costs as a grinding is the wellspring of the lead-slack relationship. Amihud and Mendelson (1980) asserted that adjustment of experts is a potential source.

Fishman and Longstaff (1989) contended that double exchanging practice later on business may have brought about the lead-slack relationship between these two businesses. Fourth, precisely by the same token, when firm particular data is accessible to a few merchants, they may want to exchange on spot market for that especially stock instead of exchanging on the future business (e.g. Subrahmanyam, 1991). That is, there may be the situation that the spot business can lead the future business sector to some degree. Teppo et al (1995) study the two-route connection between the low or end stock file fates The results demonstrate lots business gives prescient data to both continuous and occasionally exchanged stocks while the converse causality is discovered to be powerless. West (1997) inspected the lead-slack relationship in profits for Share Price Index fates and the All Ordinaries Index somewhere around 1992 and 1996 in Australia. It has been discovered that the business for record fates drives the values advertise by up to 15 minutes. This relationship does shift marginally over the individual years in the example. These discoveries are steady with abroad research. Then again, the degree of the lead is littler. There is additionally extremely solid proof of the fates business slacking the values advertises by 5 minutes at sure times. The degree of this criticism between the file fates business and the list seems, by all accounts, to be more noteworthy than in abroad markets. Abhyankar (1998) returned to the relationship utilizing 5-moment returns by relapsing spot returns on slacked spot and prospects returns, and fates returns on slacked spot and fates returns utilizing EGARCH. It was observed that the prospects returns drove the spot returns by 15 - 20 minutes. Mukharjee, Kedarnath and Mishra (2000) in their working paper arrangement attempted to explore the conceivable lead slack relationship both regarding profit plus unpredictability. The lead-slack connection is lopsided with weaker confirm that the spot file drives fates and stronger prove that the stock list prospects business sector drives the spot market. Abdullah (2001) utilized a various relapse model is utilized as the system to test for the lead and slack relationship between the stock file prospects returns and KLSE CI returns. The study finds that there is a solid contemporaneous relationship and there exists a lead impact from the prospects business to the spot advertises by one day in sub-periods 1 and 3. Sub-period 2 demonstrates a mixlead-slack relationship between the two business sectors. For the entire period under audit, the relationship has been discovered to be uncertain and uncertain. Antoniou, Pescetto and Violaris (2001) tended to the imperative relationship between stock list and stock record fates showcases in a worldwide setting. The results from applying the VAR-EGARCH system to the French, German and UK stock file and their relating stock record prospects markets give confirmation of input impacts in both mean and change inside and between nations.

Nonetheless, when the association of business sector is permitted to impact the spot-fates value relationship, a criticism impact between the two UK markets is found. Specifically, there give off an impression of being critical bi-directional value overflow impacts in the middle of French and UK markets. As business sector feeling was bullish for the greater part of the example period analyzed, this could clarify the call business leads reported. Chris et al (2001) evaluated the lead-slack connection between the FTSE 100 stock record lots and the FTSE 100 file. In view of the results acquired, they create an exchanging methodology focused around the prescient capacities of the fates market. Rew and Ritson (2001) examined the lead-slack connection for FTSE 100 list for 1996-1997 by joining slip revision model, blunder amendment model with expense of convey, ARIMA and VAR. They looked at the estimating capacity of Models and diverse exchanging procedures under mistake redress model with expense of convey models. They discovered the main force of fates market and underline the higher prescient capacity of lapse adjustment model - expense of convey model. (Asche & Guttormsen, 2002) analyzed the relationship in the middle of spot and future costs. Discoveries show that fates costs leads spot costs, and that prospects contracts with longer time to close leads contracts with shorter time to termination. Frino and West (2002) analyzed the lead-slack relationship in profits for stock record fates and the fundamental stock file for the Australian advertises somewhere around 1992 and 1997. Hyun-Jung and Smith (2004) explores effect of KOSPI 200 fates on spot business sector exchanging. Results demonstrate that prospects exchanging build the velocity at which data is seized into spot business costs, lessens the tirelessness of data and builds spot market instability. The spot and prospects costs are integrated and there is bidirectional causality between the two businesses. Gee and Karim (2005) dissected the lead-slack relationship in the middle of spot and fates markets of the Malaysian Kuala Lumpur Composite Index (KLCI) by utilizing the co-integration and mistake redress approach. The consequences of the Error correction model (ECM) recommend that fates value lead spot cost and the change in prospects cost is generally more productive when contrasted with spot cost. The results likewise demonstrate that spot cost do lead prospects cost yet the lead-slack relationship is generally feeble when contrasted with the effect of fates cost on spot cost. Sah and Omkarnath (2005) analyzed the nature and degree of connection between NSE-50 Futures and unpredictability of S&P CNX Nifty. They utilized Granger causality test to study relationship in the middle of instability and prospects market action. The specimen information comprised of every day shutting costs of S&P Nifty and turnover from June 12, 2000 through March 25, 2004 for close month and from June 12 through January 29, 2004 for center month and far month contracts. Their observational study proposed that fates market movement destabilized the basic business sector. The course of causation was bi-directional if there should arise an occurrence of close month; be that as it may, causality ran from Nifty Futures to instability of S&P Nifty in the event of far month contract. Bose (2007) dissected whether the Indian Stock Index Futures business sector assumes an essential part in the digestion of data and value disclosure in the share trading system. Utilizing Futures costs for the S&P CNX Nifty Index exchanged on the National Stock Exchange of Pakistan, we find that there is noteworthy data stream from the fates to the spot business and prospects costs/returns have prescient force at the spot costs. Hadgal (2007) concentrated on the conceivable lead-slack relationship among the spot and fates advertise in Pakistan. There is no convincing confirmation of any lead or slack relationship, as the prospects advertise in Pakistan as not develop and it is defective. Another investigation of Kasman and Kasman (2008) inspected the effect of fates on unpredictability of the fundamental resource (by means of GARCH model) adding the subject to co-integrating connection found between promotion costs as well as prospects costs (through ECM model). They utilized the Karachi Stock Price Index 30 (ISE 30) prospects plus advertisement costs and reasoned the extended run connection (about coordinated) in the middle of spot and fates costs and causality runs from spot costs to future costs.

According to (Reddy & Sebastin, 2008) contemplated transient association between the values marketplace plus subordinates business sector fragments of money markets utilizing different techniques and by recognizing lead-slack association of the estimation of a delegate file of values business plus cost of a comparing record chances agreement in the subsidiaries market place. (Debasish & Mishra, 2008) analyzed the lead-slack connections between the NSE Nifty stock exchange record and its connected fates and alternatives contracts, furthermore the interrelation between the subordinates markets. The study finds that both the record prospects and file alternatives contracts lead the cash and money index. Debasish (2009) researched the impact of fates exchanging on the instability and working effectiveness of the basic Indian stock exchange by taking an example of chose individual stocks. The aftereffects of this study propose that there is an exchange off in the middle of increases and expenses connected with the presentation of subordinates exchanging at any rate on a fleeting point of view. The study offers another kind of commitment in looking at the effect of presentation of record fates exchanging NSE Nifty list and the file prospects covering a period since presentation of record fates in Indian Capital Market. The results propose that the business would need to pay a certain cost, for example, a loss of business sector proficiency for the purpose of business sector adjustment. Pradhan and Bhat (2009) researched value disclosure, data and estimating in prospects marketplaces. According to (Johansen's ,1988) the Vector Error Correction Model (VECM) utilized to explore cause and effect association in the middle of spot and prospects costs. The outcomes found that the commercial business sector drives destinies market and advertisement costs have a tendency to find new data more quickly than prospects costs. Floros (2009) analyzed the value revelation in the middle of fates and spot advertises in South Africa over the period 2002 to 2006. Granger causality, VECM and ECMTGARC results propose bidirectional causality (input) in the middle of prospects and spot costs. Athanasios (2010) analyzed the element relationship between the FTSE/ASE- 20 spot value file, the FTSE/ASE-20 fates value list and their separate volatilities. The experimental results give solid confirmation that both criticism and at the same time portray the element relationship between prospects exchanging action and unpredictability of the fundamental business sector. In a late work Debasish (2011) analyzes the long haul relationship between spot costs and fates costs. The study discovers a solitary long haul relationship for each of the chose organizations over the six parts. Theissen (2011) rethought the issue of value revelation in spot and prospects markets. He utilized a limit blunder amendment model to take into consideration arbitrage chances to have an effect on the return flow. It has been discovered that the fates business leads at present value revelation. For different nations with littler size subordinates trade the studies all help that the slacked estimations of prospects influence the conformity in spot costs. Sinha and Sharma (2005) on affirm the results about writing about heading of lead-slack connection. The lead-slack impact between spot file market and list future business sector has attracted numerous examinations concerning its benefit ramifications in genuine business exchanges. This sort of examinations is fascinating as in if brokers can exploit these impacts and make benefits, these opportunities ought to vanish rapidly since numerous other will rapidly do it as well, which infers that the proficient business theory is invalid in the connection. Case in point, Leitch and Tanner (1991) found that the precision of factual conjecture may not so much emphatically interface with exchanging productivity.

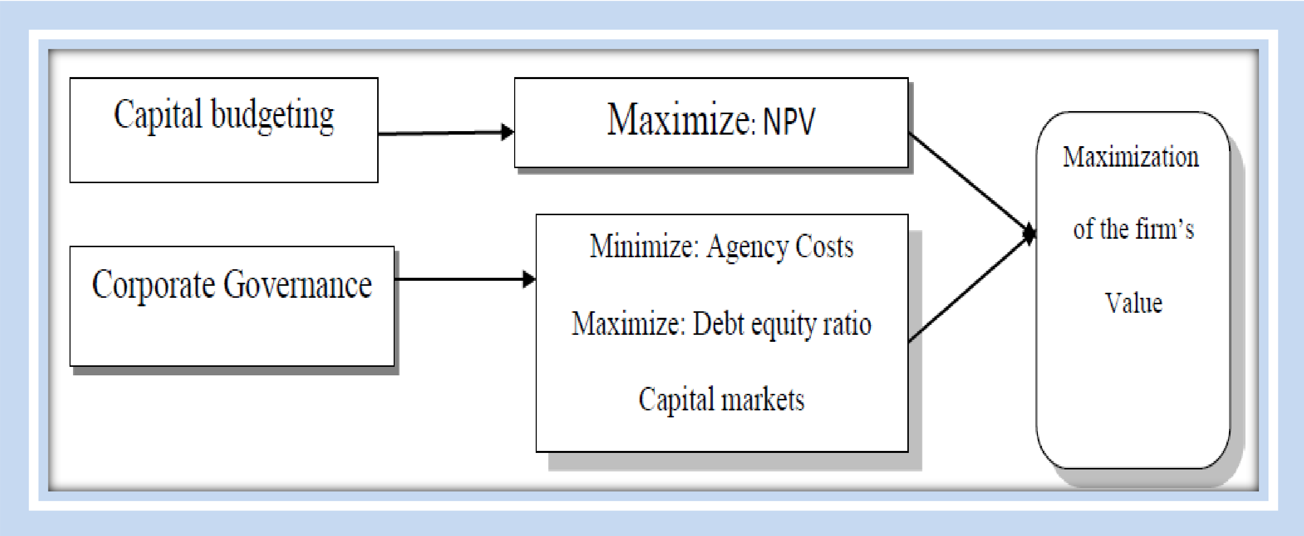
KSE Listed Company Goals and Aims

An association's choice to put resources into long haul resources has an effect on the rate and course of its development. A wrong choice can demonstrate grievous for the long haul survival of the firm. The buy of undesirable long haul capital resources brings about unnecessary capital distribution and substantial working expenses to the firm (Aggarwal 1993). Substantial working expenses may render an association unsustainable. Once more, the way that the firm needs to raise and submit 'extensive wholes of cash' in long haul capital activities, makes capital planning choices most vital, obliging cautious arranging and execution (Brealey et al. 2011). Further, once wrong capital planning choices are made, they are not effectively reversible and if the firm demands and inverts them, they are expensive. In this way, an organization's future heading and the pace of future development begin with capital planning choices which include putting resources into feasible long haul advantages for produce future income. Subsequently, capital planning is the most discriminating choice of any association that plans to become, enough contend and flourish for quite a while. Problematic capital planning choices don't amplify stakeholders' premiums over the long haul, specifically the offer costs or business promotion. Offer costs are pondered the capital markets. Since offer costs recorded on the stock trade (capital business sector) are affected on by different components and continue evolving consistently, then the capital planning choices ought to have the capacity to element in those issues which effect on the capital markets. It is a typical event that in the early years of most capital activities, the money surge surpasses the money inflow, which means is there is a deficiency as a result of vast passage charges. Hence, the association needs to have great money related administration to have different method for sourcing money to cover this shortfall until money from capital ventures begin coming in. The danger of making negative net trade inflows in for money the early years is exacerbated if a firm puts resources into parts with characteristic high business danger, for example, the e-business part and the carrier business. These parts altogether utilize IT which is changing rapidly and have generally high rivalry. Schniederjans et al. (2004) recognize that interests in IT ought not to be assessed utilizing the conventional capital planning strategies. They ought to be taken a gander at on a case by case premise. An ideal venture arrangement in IT obliges the utilization of more than one speculation systems, due to the multidisciplinary effects and different goals. The methods ought to have the capacity to coordinate various targets Schniederjans et al. (2004). Additionally, capital interests in the carrier business need capital planning models which can figure in money related and managerial adaptability, different targets and corporate administration standards. The reappearances of capital speculations can be measured as far as additional net money inflow of firm.

Relationship between Capital Budgeting and Corporate Governance

The firm receives great corporate administration for the profit of distinctive stakeholders, for example, speculators, banks, chiefs, administrators, representatives and different industry gatherings (Banks 2004). Capital planning choices are made to amplify the net present estimation of the association, which thus advantages all stakeholders, so they have comparable objectives. As indicated by Banks (2004) great corporate administration complies with, among others, the structure and capacity of a partnership in connection to its stakeholders by and large, and its shareholders particularly by adjusting clashing premiums, for example, those which may emerge amid contributing choices, financing choices, monetary reporting, executives' pay, chiefs' choice imparting observing and holding measures, a feeling of morals, and empowering straightforwardness. The profits of great administration may incorporate among others, getting to better stream of trusts, and enhanced access to lower investment rate wellsprings of stores, better credit scores, better notoriety and more business open doors, which prompt lower obligation subsidizing expenses and/or higher offer value and lower organization costs. The lower obligation financing expenses effect on the NPV in light of the fact that the future money streams are reduced at a lower rebate rate. Great corporate administration can lessen entomb and intra-firm organization issues (Shleifer and Vishny 1997) and is likewise connected with higher firm esteem (Gompers et al. 2003). As said in the recent past, since the breakdown of prominent organizations in the US, for example, Enron, Worldcom, and so forth. Administration choices, both operational and key, have gone under examination. The regular component in these organizations is the galactic official compensation and remunerations – organization costs. The officials, whose pay is focused around the yearly execution (benefits), will need to augment yearly benefits in the short term, so they can get a lot of cash rapidly before their agreement lapse. Such administrators will be hesitant to settle on speculation examination choices which will accumulate benefits after their agreement period. The minimization of the transient official remuneration (organization expenses) and presenting long haul official pay, including offer choices, may convince administrators to put resources into long haul capital activities. In this manner, there is a need to coordinate corporate administration standards, including minimization of office expenses, to enhance and improve investment appraisal decisions.

Relationship between Capital Budgeting and Corporate Governance



Methodology or Procedure of the Study

This section describes methodology and procedure details of the current study. It includes the design and nature of study, population, sample, research strategy, data collection and analysis technique used.

Design of the Study

The study is descriptive in design and quantitative in nature.

Research Approach

The quantitative research approach was followed.

Population of the Study

The population of the current study was stakeholders of Karachi Stock Exchange

Sample of the Study

The sample of the current research work was consisted on 140 listed companies secretaries which are official representative of their organizations also know as respondents.

Sampling Technique

The simple random sampling technique was followed to achieve the objectives of the current research work as well as to answer the proposed research questions.

Technique for data analysis

The descriptive statistics techniques were applied to test the hypotheses and research questions using SPSS Version 20. Mean score and percentage of respondents views was calculated and presented in tabular form.

Instrument of the Study

A self-made structured questionnaire was administered and distributed among sampled respondents' in order to collect data.

Data Collection

Primary data collected from 140 stake holders (i.e secretary of listed company's) of Karachi Stock Exchange who are involved with share business by using structured questionnaire using simple random sampling technique. Five point Likert scale is used to analyze collected data. Forty listed companies, namely Nestle Pakistan Limited, Shell Pakistan, Mari Petroleum, Descon Oxychem, Ghani Gases Ltd, ICI Pakistan, Crescent Steel, Siddiqsons Tin Plate, Berger, D.G.K.Cement, Dadex Eternit, Fauji Cement, Power Cement Ltd., ECOPACK Ltd, Siemens Pak. XD, Tri-Pack Films, Pakistan Cables, Hinopak Motor, Atlas Battery, Atlas Honda Ltd, Honda Atlas Cars, Indus Motor Co, Pak Suzuki, Engro Foods Ltd., National Foods, Punjab Oil, Unilever Foods, Tariq Glass Ind., Artistic Denim, Colgate Palmolive, Gadoon Textile, Nishat Mills Ltd, Sapphire Fiber, Suraj Cotton, ZIL Limited , Sitara Chemical Limited, Packages Limited, Pak Electron Limited, and Angro Pakistan Limited., are selected as sample organizations. Secondary data collected from website of Karachi Stock Exchange (KSE) and annual reports of sample organizations'.

Data Analysis and Interpretation of Results

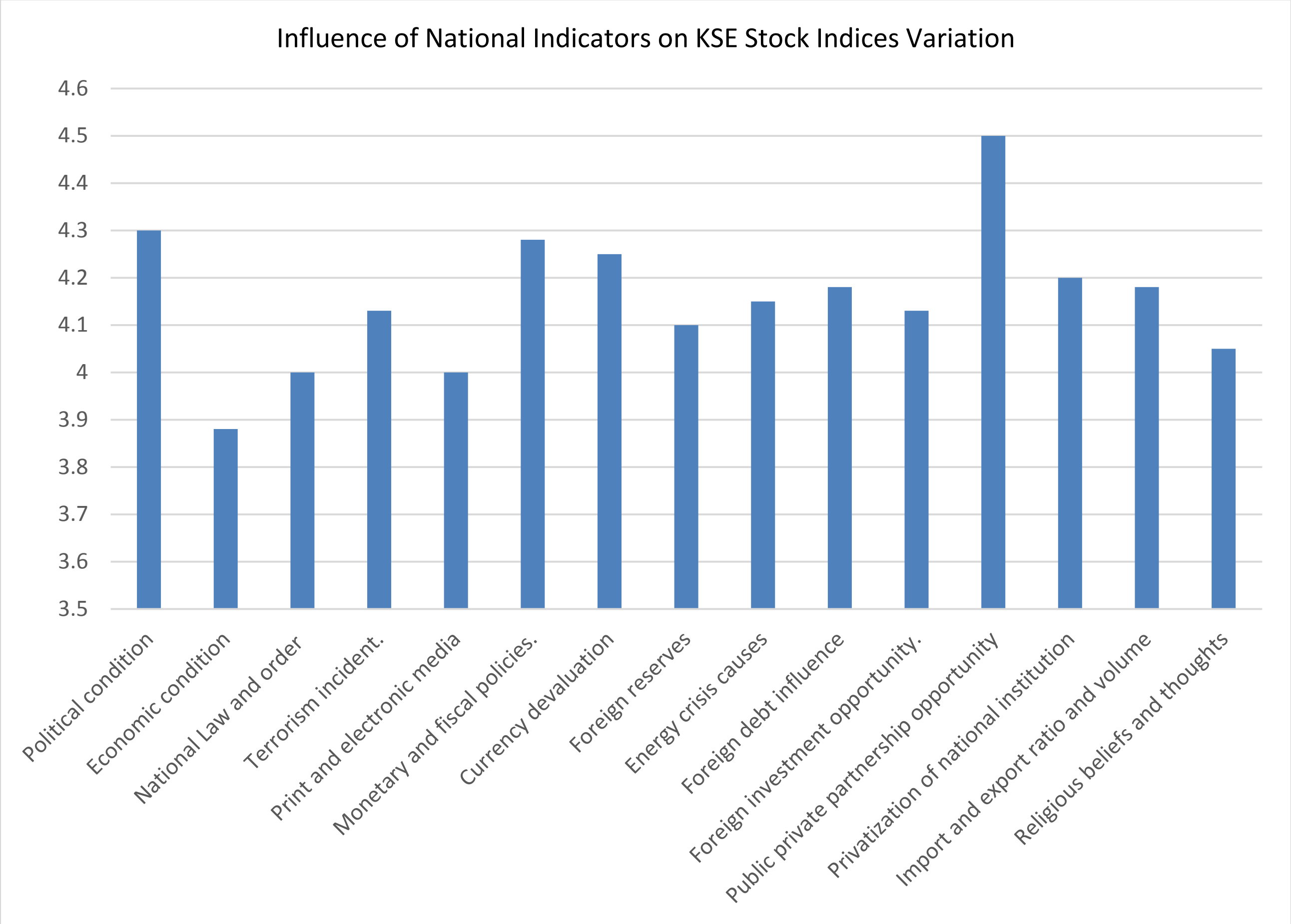
This section is related to data analysis results and their interpretations. Data analysis results and interpretations are presented in table and figure.

Table 1.1: Influence Of National Indicators in Context of Pakistan on Karachi Stock Exchange Index Fluctuation

Indicators	Ranking	Mean	Alpha	Agreed	p-value
Public private partnership opportunity	1	4.50	0.729	95%	.000*
Political condition	2	4.30	0.737	95%	.000*
Monetary and fiscal policies.	3	4.28	0.732	95%	.000*
Currency devaluation	4	4.25	0.728	92%	.000*
Privatization of national institution	5	4.20	0.743	92%	.000*
Foreign debt influence	6	4.18	0.724	95%	.000*
Import and export ratio and volume	7	4.18	0.76	90%	.000*
Energy crisis causes	8	4.15	0.728	95%	.000*
Terrorism incident.	9	4.13	0.725	87%	.000*
Foreign investment opportunity.	10	4.13	0.733	92%	.000*
Foreign reserves	11	4.10	0.726	90%	.000*
Religious beliefs and thoughts	12	4.05	0.758	82%	.000*
National Law and order	13	4.00	0.7	85%	.000*
Print and electronic media	14	4.00	0.743	92%	.000*
Economic condition	15	3.88	0.726	82%	.000*
Note: N=140, *p<.001					

Table 1.1 and Figure 1.2 present results of analysis; almost all respondents agreeing positively with above mentioned indictors which have significant influence on Karachi Stock Exchange Index variation. Further it was found that private public partnership opportunity followed by political conditions of Pakistan is most crucial indictors which affect Karachi Stock Exchange Index directly. However economic conditions and media reports have least impact on Karachi Stock Exchange Index variations respectively.

Figure: 1.2



Discussion of Results

The results are in favor of stake holders and beneficial for KSE management as well as listed companied owners.

Integration of Results with Literature Review

The results are matched also with previous studies as well.

Findings of the Study

It was found that almost all national indicators and factors have statistically significant influence up to 80-85% on KSE index variation as perceived by the respondents which lead to their agreement that said indicators have significant influence and impact on the KSE index variation. The mean score are greater than 4.00 for all indicators except economic condition (M=3.88). The most influenced indictors are public private partnerships (M=4.50) and political condition of Pakistan (M=4.30)

Conclusion of Research Work

This study attempts to identify which indicators influence on Karachi Stock Exchange Index changes. It is concluded that results showed KSE stake holders perceived that national indicators have significant influence on Karachi Stock Exchange Index variation. Moreover it is concluded that private public partnership opportunity followed by political conditions of Pakistan are most crucial indictors which affect Karachi Stock Exchange Index directly. However economic conditions and media reports have least impact comparatively on Karachi Stock Exchange Index variations respectively.

Future Research Directions and Recommendations

For future research work it is directed and recommend by researcher that sample may be increased. Respondents should be taken from all provinces of Pakistan. Similar type of research work should be conducted for ISE and LSE also. Comparison among KSE, ISE and LSE may be conducted as well.

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