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## Demand and Risk Factors in Indian Real Estate Sector

*B Yerram Raju*

Credit risk management of real estate and housing has become complex due to a variety of factors starting from nature of client to nature and location of asset and the land use approval process from the regulatory institutions. Valuation of asset underlying the credit appraisal and sanction has posed severe uncertainties due to the scope, status of valuer, market model and input uncertainties. This paper focuses its attention on the causes and consequences of rising demand in the real estate sector and the risk factors emerging therefrom with focus on valuation risks.

## Vertical Financial Markets Integration and Efficiency in India with Special Reference to Economic Crisis

*Iti Vyas*

With growing trade and financial openness in India, global factors come to play a greater role in domestic policy formulation, leading to greater financial market integration. The benefits of global integration depend on size, composition, and quality of capital flows. Global financial integration involves direct and indirect or collateral benefits. It is in this context, the major objective of the paper is to explore the possible integration and efficiency of Indian stock market with the major global stock markets both at their return and volatility level with special reference to different economic crisis such as Asian Currency Crisis and Global Financial Crisis. The short term interaction is examined by using Toda Yamamoto's procedure of Granger's Causality in VAR Block Exogenity form and the long run equilibrium relationship is examined by applying Johansen Maximum Likelihood procedure. Then the paper explore the possible integrating relationship at the volatility level among the global stock indices by applying the ARCH school of models. Finally the Random Walk Hypothesis is tested by employing the Chow-Denning (1993) and Lo and Mackinlay (1988) multiple variance ratio test to examine the efficiency of the market. The study considered the daily data spanning from 4th January 1994 to 2nd May 2012 which is around 4019 observations. The entire sample period is divided into six phases such as whole sample, pre-Asian crisis, Asian crisis, post-Asian crisis, Global financial crisis and post-global financial crisis. The empirical result found a consistent short run dynamic interaction and long run equilibrium relationship among the Indian stock market with the selected global stock markets in the post-Asian Crisis and Post-Global Financial Crisis phase. This study has also confirmed that all the global stock market indices including the Indian stock market are not following the weak form of efficiency.

### Relationship Between Inclusive Banking and Growth: Bangladesh Perspective

*Sujan Kumar Ghosh*
*Mohita Mitra*

The relationship between financial development and economic growth is well understood and extensively studied by the researchers for a long period of time. But, only the growth rate may not be enough for attaining some other major macro objectives of country like Bangladesh. Inclusiveness in the growth process is vital for achieving sustainable development of the country. This paper examines the causal relationship between inclusive banking and economic growth for Bangladesh using time series data over the period 1972-2011. The study finds evidence that inclusive banking has statistically significant impact on enhancing economic growth. In this study, the Johansen cointegration test statistics have been used to examine the causal relationship. Besides, Vector Error Correction Model (VECM) has also been applied to investigate causal relationship between the variables. The study also analyzes data to show initiatives and challenges for inclusive finance in Bangladesh. The results indicate that inclusiveness in banking operation have some subdued positive impact on growth in Bangladesh, but banking sector of Bangladesh is still far from inclusive financing.

### Electronic Banking Upsurge: An Assessment of Drivers and Impediments

*Supreet Sandhu*
*Sangeeta Arora*

Electronic banking upsurge is a strategic decision that banks take in response to different internal and external factors. The findings of the study reveals that the most significant enabler for technology inducements in banks is based upon customer stimulus followed by relative advantage for banks, organizational capabilities and bank industry. Strength of drivers has outdone the impediments in IT adoption and use by the banks creating conducive environment for further technology inducements in the banking system.

## Book Reviews

## Gramin Banks Revisited

*N K Thingalaya*

Nitte Institute of Banking and Finance, Nitte University, Mangalore, 2013, viii+214 pp.

***Reviewed by*** Dr R Dasgupta, *Former Professor*, National Institute of Bank Management, Pune.

## Real Estate Finance in India

**Prashant Das**
**Divyanshu Sharma**

New Delhi, Sage Publications India Pvt. Ltd., 2014, xxxv + 327 pp., Rs. 995.00.

***Reviewed by*** Dr V S Kaveri, *Former Professor*, National Institute of Bank Management, Pune.