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**Can Stock Market Development Boost Economic Growth and Trade Openness? Cointegration, Granger Causality and Forecast Error Variance Decomposition Tests for ARF Countries**

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Many studies investigate relationships between economic growth in specific economies and the depth in the stock market, or between its growth rate and its trade openness (exports plus imports). Advancing on earlier work, this paper uses panel cointegration and causality tests applied to ASEAN Regional Forum (ARF) countries over the period 1960-2012. The countries included in this analysis are Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam, Australia, Canada, China, India, Japan, New Zealand, Korean Republic, Russian Federation, the United States, Papua New Guinea, Mongolia, Pakistan, East Timor, Bangladesh, and Sri Lanka. Our novel panel-data estimation procedure offers more robust estimates by utilizing variations between countries as well as variation over time. We identify important long-run causal links among the variables and show their implications for economic policy.

**Risk-Based Capital Regulation and Bank Behaviour: A Critical Review of Literature from 1990 to 2013**

*Mandeep Kaur*  
*Samriti Kapoor*

The present study is an attempt to examine the vast literature on risk-based capital regulation and its impact on behaviour of banks worldwide. Its main focus is to explore whether the introduction of capital regulation led some banks to increase their capital and reduce lending. Hence, content analysis was performed and important measures viz. Objectives, Source of Data, Major Variables, Research Methodology, and Significant Findings have been reported. The study underlined the relationship between risk and capital. The literature reviewed produces mixed results as regards the impact of regulatory requirements on capital and risk behaviour of banks. However, general agreement has been found in academic literature regarding long-term consequences of Basel norms on increasing capital, which may or may not be accompanied by reduction in risk taking by banks. This study builds a strong conceptual framework for the researchers by thoroughly analyzing the empirical studies of last 24 years i.e. from 1990 to 2013.

## **Efficiency Analysis of Central Cooperative Banks in Punjab: Data Envelopment Analysis Approach**

*Ravi Inder Singh*

This paper examines the inter-bank relative efficiency of District Central Cooperative Banks (DCCBs) in Punjab. Cooperative banks which initially started as bankers to the farmers are now providing almost all the banking services to all types of customers in neck-to-neck contest with commercial banks. In an environment of stiff competition with commercial banks the operational efficiency of DCCBs is of paramount importance for their sustainable growth. Accordingly, we have to examine their efficiency through Data Envelopment Analysis (DEA) using ten years data of 19 DCCBs from comparative financial statements published by the Punjab State Cooperative Banks. This study explores strategies required to be adopted by DCCBs to ensure their sustainability.

## **Determinants of SMEs' Satisfaction with Export Credit Delivery System**

*Manpreet Kaur  
Fulbag Singh*

Exports play a crucial role in economic development of any country and India is certainly not an exception. The Indian government provides liberal and cheaper credit to exporters to give thrust to export promotion. A full-fledged export credit delivery system has been designed where policies are framed by Reserve Bank of India (RBI) and implemented by commercial banks. In the present study, an effort has been made to analyze the determinants of Small and Medium Enterprises' (SMEs) satisfaction with export credit delivery system. Here, SMEs have been specifically focused as substantial amount of exports are made from them. A cross-sectional research on 300 small and medium exporting enterprises of Punjab is conducted. Responses are analysed using factor analysis and structural equation modeling. As customer satisfaction is the only lifeline through which banks can retain their customers in a contemporary competitive environment, results of the study would be helpful for commercial banks in increasing satisfaction among exporting SMEs.

## **Book Reviews**

### **Commercial Bank Management**

**Kanhaiya Singh**

**Vinay Dutta**

New Delhi, McGraw Hill Education (India) Private Limited, 2013, xvii + 582 pp.

*Reviewed by **Dr Biswa Nath Bhattacharyay**, Former Advisor, Asian Development Bank, Manila.*

### **Risk, The Business Driver in Banks**

**R S Raghavan**

Chennai, Notion Press, 2015, xxvii + 342 pp., Rs. 699.00.

*Reviewed by **Shri Rajesh Mahajan**, Faculty Member, National Institute of Bank Management, Pune.*