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## Articles

### **USA Invasion and Banking Liberalization in Iraq: An Assessment of its Outcomes**

- *Athawale Sanhita & Amar Hamad Khalaf*

In this article, we investigate the impact of financial liberalization on banking development in Iraq in the post-USA invasion of 2003. After the invasion, a comprehensive banking liberalization process was introduced in Iraq. It aimed to establish a good functioning banking system to spur economic growth. Two main indicators are used to measure the banking development in Iraq's banking system. They are total deposits to GDP, and, credit to private sector to GDP, as these are used in a number of publications. The Iraq experience reveals that the indicators of banking development have grown slightly during the post-liberalization period. This is due to the marginal nexus between banking sector and the real economy through savings mobilization and investment finance. The deterioration in political and economic situation has adversely affected the banking sector development. In addition the continuing conflict, political instability and the uncertain security situation in the country have also adversely impacted on banking development.

### **Structured Investment Vehicle (SIV): The New Yield Curve Arbitraging Engine**

- *P Kallu Rao*

This paper gives a brief overview of structured investment vehicles (SIV). An SIV is a product which generates returns through leveraged yield curve arbitrage, by investing in high-grade (AAA, AA) medium and long-term fixed income instruments funded by low-cost, short-term senior debt instruments such as Asset Backed Commercial Paper (ABCP) and Asset Backed Medium Term Notes (ABMTN). There are several inbuilt mechanisms to protect the SIV from different kinds of investment risks. This induces investors to diversify into such a high-return product. Banks and financial institutions sponsoring an SIV not only earn high interest income, but also high fee income.

### **Management of Non-Performing Assets in Urban Cooperative Banks (A Study with Reference to Tamil Nadu)**

- *N Ramu*

With the tightening of prudential norms, the banking sector has been consistently conforming to and adopting international prudential norms and accounting practices. Such strengthening of prudential norms have resulted in increased levels of Non-Performing Assets (NPAs) for the Urban Cooperative Banking Sector. As per CAMELS rating model, the highest weightage is given to asset quality components. Today, UCBs are compelled to maintain superior assets quality in the competitive market for their survival. In the wake of large scale defaults of UCBs in India, this study is an attempt to analyse the asset quality in select UCBs in Tamil Nadu.

### **Relevance of Marketing in Banks**

- *Sharadkumar Rewatkar*

The importance of marketing needs no emphasis in today's banking environment. Banks are busy evolving suitable marketing strategies for survival and growth. We must remember that the passive, silent and obliging customer is a thing of the past. Though marketing departments do exist in banks, they are relatively young and so are the marketing strategies of banks, particularly that of PSBs. This paper attempts to discuss some aspects relating to bank marketing in India.