

Editorial

The first article is on the recent bank merger of state-owned banks that would involve ten of them being merged to four. The author concludes that the recent merger would definitely create more systematically important banks which would not be allowed to fail during major financial crisis and offered five suggestions to improve the struggling banking sector. The second articles looks into Indian mutual fund manager turnover and its impact on fund performance and the author concludes that fund manager turnover in mutual funds is one of the factors explaining the lack of long-term persistence in mutual fund performance. In the third piece, the author discusses the Insolvency and Bankruptcy Code (IBC) rolled out in 2016 which provides a framework for time bound insolvency resolution of corporates and others. He shows that the IBC is a step in the right direction for resolving stressed assets on account of genuine business failures, but possibly not meant to address willful defaults/corporate malfeasance, and certainly not a panacea for Indian banking's burgeoning NPA's. The fourth and last article examines the portfolio and factor approach in finance. To a number of researchers in finance, the techniques that we have developed to understand and simplify the portfolio problem constitutes a fundamental contribution. And increasingly, academics in finance are venturing out beyond the narrow confines of financial markets to apply these techniques.

You may send your comments and feedback on this issue to ashok@iimcal.ac.in

Happy reading!

Ashok Banerjee