



Call For Research Proposals (2013-14)
NSE - NYU Stern Initiative on the Study of Indian Capital Markets

The NSE-NYU Stern Initiative on the Study of Indian Capital Markets is a newly-formed joint venture of the National Stock Exchange of India (NSE) and the Salomon Center for the Study of Financial Institutions at NYU Stern School of Business. The Initiative invites academics and scholars to submit research proposals for projects, including early-stage projects that are relevant for understanding the Indian financial sector and macro-economy. Around 6-7 projects will be approved and awarded a grant of \$7,500 each.

TOPICS: The topics of interest to the Initiative include but are not limited to:

- Liquidity and efficiency of stock markets, and how market infrastructure affects them
- Trading behavior and flows of retail and institutional investors (including FIIs) and their impact on stock markets
- The pros and cons of high frequency trading (HFT)
- The role and functioning of Initial and Secondary Public Offerings
- Capital structure and cost of capital for corporations and small and medium-sized enterprises (SMEs)
- The role of private equity and family-owned firms in the economy
- Market for takeovers and other governance mechanisms
- The market for government securities
- Understanding the behavior and risks of banks (private-sector and public-sector) and non-bank financial corporations (NBFCs), and how they interact with markets
- Commodities markets and their linkages to other capital markets
- Role and impact of financial sector regulation and government restrictions on markets
- Macroeconomic risks including inflation, fiscal and currency depreciation risks and how they impact markets and firms
- Missing and failed markets (e.g., corporate bonds, interest rate futures, credit derivatives)
- Studies of other emerging markets relevant for India

The NSE generally provides two types of data: (a) data relating to trades and (b) corporate data (such as company fundamentals, corporate announcements and shareholding pattern); trading data can be made available as Real Time Data, Snapshot Data, End-of-day Data, Historical Trade Data and Historical tick by tick

(TBT) trade and order level data. The NSE would provide this data if required for the approved projects at a subsidized rate. More details can be found at the following link: http://www.nseindia.com/supra_global/content/dotex/data_products.htm

Each research proposal should consist of at most three single-spaced pages, and must include the project title, information on the principal investigator (PI) and institution where the PI is affiliated, information on any co-PIs, a one-paragraph summary of the project, the project's intended contribution relative to the literature, the data to be employed, research methodology, and preliminary results (if any). Projects that are already in an advanced stage are unlikely to be funded.

The deadline for submissions of the proposal is 15th September, 2013. Research proposal plus the cv of the principal investigator should be mailed in pdf format as a single file to nse-nyu-call-2013@stern.nyu.edu. Project approval decisions will be made and emailed by 1st October, 2013.

Funding will be provided in two stages: 50% of the grant will be made available upon approval of the research project, and the remaining 50 % will be made available if the following conditions are met.

Principal investigator of the approved projects must each:

- Submit a preliminary draft by 1st June 2014; feedback on which will be provided within three weeks after the deadline.
- Present (or have a co-author present) the revised draft at a research conference to be organized by the NSE in Mumbai, India in July or August, 2014 (dates to be confirmed). Travel and accommodation costs relating to the conference would have to be incurred by the presenters from the funding provided in the grant). Local travel arrangements etc. will be provided by the NSE.
- Submit second draft incorporating discussion at the Conference by middle of October, 2014, on which a final set of comments will be provided by the middle of November.
- Submit by 1st December 2014 a final draft that gives due consideration to all comments and feedback for inclusion in the Working Paper series of the NSE and the Salomon Center.

The committee that will screen and approve the projects consists of Professors Viral V. Acharya and Joel Hasbrouck of NYU Stern School of Business, and Professor Ravi Jagannathan of Kellogg Business School, Northwestern University.

Agenda of the 2013 Conference of the Initiative can be found at:

http://www.stern.nyu.edu/cons/groups/content/documents/webasset/con_043102.pdf

ABOUT THE NATIONAL STOCK EXCHANGE (NSE) OF INDIA: NSE is the largest exchange in India that has brought about unparalleled transparency, speed, efficiency and safety in the Indian securities market. As part of its thought leadership efforts, NSE conducts various workshops and seminars. It also conducts training programs and certification programs in the area of securities market.

ABOUT THE SALOMON CENTER FOR THE STUDY OF FINANCIAL INSTITUTIONS: The Salomon Center for the Study of Financial Institutions is a research Institute founded in 1972 as part of the Stern School of Business, New York University, by a grant from the partners of Salomon Brothers, and specializes in the study of financial institutions, including commercial banks, investment banks, managed funds and insurance companies.

Posted on SSRN: 8/30/13

<http://www.ssrn.com/update/fen/fenann/ann13272.html>