List of Corrections

Second Examiner:

I am thankful to the second examiner for appraising my thesis by saying that “The thesis addresses some important issues relating to volatility of the Indian stock market. In particular the effect of the financial crisis triggered by the US in 2008 on volatility of the stock market in India and the contagion effects from other emerging economies on India are important issues for academic research as well as policy disclosures. The thesis outlines these issues with high clarity. The literature survey is detailed as is the survey of the empirical methods. The candidate has displayed awareness and understanding of both theoretical and the empirical literature. She has also documented the development of the Indian stock market very well. The empirical analysis uses standard techniques though there is some scope of improvement in case the candidate wants to pursue this topic in her future academic pursuits”.

As suggested by him, I am incorporating the editorial changes:

1) As suggested by the second examiner, I have tried to incorporate all his suggestions in my thesis except the suggestion regarding the literature review. He mentioned that literature review should be kept in the individual chapters not in the first chapter so as to reduce the number of pages of the thesis. But removing the literature review from the first chapter would not enabled me to come to the identification of the research gaps and then to set the objectives. So, I have kept the literature review in the first chapter. But as the examiner asked me to reduce the number of pages and avoid repetition of the literature survey, so I have deleted the literature survey from the individual chapters. From the first chapter the survey of empirical methods has been deleted as suggested by him. The list of references has been deleted from the individual chapters and has been kept only at the end as suggested by him.

Chapter 3 on Survey of empirical methods has been completely removed as suggested by the second examiner. However, methodologies used for analysis in the individual chapters have been kept as it was.

Chapter 9 on Conclusion has been deleted as suggested by the second examiner.

2) Some Chapter wise Corrections:

Chapter 5:

a) Page 164 is now Page 97 … … Returns have been calculated as the difference of logs but there was a typographic error.
b) In Equation no. 5.4.2.3.2 which is now 4.3.2.3.2, stationarity is necessary for the GARCH volatility series which is used in the left hand side of the equation.

c) Nifty volatility has been calculated on the daily data and then it has been averaged quarterly because if I would have done the reverse, there would have been loss of generality since averaging the data at the very first go may lead to some loss of information between the lines.

d) Equations 5.4.2.3.2 and 5.4.2.6.1 which are now 4.3.2.3.2 and 4.3.2.6.1 have been modified according to the suggestion i.e. coefficients have been attached.

Chapter 6:

a) Page 205 is now page 127 & 128 --- Specification of the variables has been made. And similar corrections have been done for all other equations if needed. Equation 6.5.3.1 and 6.5.3.2 are now 5.4.3.1 and 5.4.3.2 --- ΔNifty, ΔJakarta all of them are the first order difference of the returns not volatility because in this chapter we have also tried to see the effect of other countries on Nifty directly on the returns. Although, volatility could also be taken into consideration but for this chapter, I preferred the change in the returns so as to conclude about the Indian stock market on the basis of the returns only. Y_t, X_t and all other variables have been specified properly wherever necessary as suggested by the second examiner.

b) I could also have taken the full blown VECM model taking all the variables together, but in this thesis I have gone for pair wise comparison since I wanted to judge the effect of a particular stock market on the Indian Stock Market in absence of the effect of all other countries. So, I have gone for pair wise modeling.

Chapter 7:

a) Page 229 which is now Page 143 --- Y(t)s have been related to the present study as was suggested by the Second Examiner.

b) Equation 7.5.5.2 which is now 6.4.5.2 --- Although Dummy variables were defined in the introduction of this chapter but again as suggested by the Second Examiner, I have put the definitions of all the dummy variables here.

First Examiner:

I am thankful to the first examiner for outright recommendation for accepting the thesis for Ph.D. degree and I hope that during the VIVA-VOCE examination, the points he raised would be taken care of.