

Ajay Shah

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Positions

Senior Fellow, National Institute for Public Finance and Policy, New Delhi (2007-)

Consultant, Department of Economic Affairs, Ministry of Finance, New Delhi, (2001 – 2005).

Associate Professor, IGIDR, Bombay (2001).

Assistant Professor, IGIDR, Bombay (1996-2001).

President, CMIE, Bombay (1993-1996).

Visiting faculty, IGIDR, Bombay (1994-1996).

Consultant, Rand Corporation, Santa Monica (1990-1993).

Education

Ph.D. in Economics, University of Southern California, Los Angeles.

B.Tech. in Aeronautical Engineering, I.I.T., Bombay.

Awards

The *Parallel Risk Management* (PRISM) project won the Skoch Challenger Award for innovative ICT initiatives, 2004.

Awarded honorary *Certified Financial Planner* (CFP) by the Association of Financial Planners (AFP), 2004.

Outstanding paper award for Moonis and Shah (2002) at *Vth Capital Markets Conference* at UTI ICM, December 2001.

Outstanding paper award for Sarma, Thomas and Shah (1999) at *IIIrd Capital Markets Conference* at UTI ICM, December 1999.

All-University Pre-doctoral Merit Fellowship at USC (1987-1990).

National Talent Search Scholarship, 1981.

Working papers

Achim Zeileis, Ajay Shah, and Ila Patnaik. Exchange rate regime analysis using structural change methods. Report 56, Department of Statistics and Mathematics, Wirtschaftsuniversität Wien, Research Report Series, August 2007

Ajay Shah, Achim Zeileis, and Ila Patnaik. What is the new Chinese currency regime? Technical report, Wirtschaftsuniversität Wien, November 2005

Ila Patnaik and Ajay Shah. Interest rate volatility and risk in Indian banking. Technical Report WP/04/17, IMF, 2004

Susan Thomas, Ajay Shah, and Rajeeva L. Karandikar. Does the stock market get it before the rating agencies? Some evidence on the Merton model. Technical report, IGIDR and ISI, Delhi, June 2002

Articles

Ajay Shah and Syed Abuzar Moonis. Testing for time variation in beta in India. *Journal of Emerging Markets Finance*, 2(2):163–180, May–August 2003

Mandira Sarma, Susan Thomas, and Ajay Shah. Selection of Value at Risk models. *Journal of Forecasting*, 22(4):337–358, 2003

Ajay Shah. Investment risk in the Indian pension sector and the role for pension guarantees. *Economic and Political Weekly*, XXXVIII(8):719–728, 22 February 2003

Ajay Shah. Comment on ‘Governance, supervision and market discipline: Lessons from Enron’, by Jayanth R. Varma. *Journal of Indian School of Political Economy*, XIV(4):637–640, October–December 2002

Susan Thomas and Ajay Shah. The stock market response to the Union Budget. *Economic and Political Weekly*, XXXVII(5):455–458, February 2–8 2002

Ajay Shah and Sivaprakasam Sivakumar. Changing liquidity in the Indian equity market. *Emerging Markets Quarterly*, 4(2):62–71, Summer 2000

Ajay Shah and Susan Thomas. David and Goliath: Displacing a primary market. *Journal of Global Financial Markets*, 1(1):14–21, Spring 2000

Ajay Shah. Institutional change on India’s capital markets. *Economic and Political Weekly*, XXXIV(3–4):183–194, January 1999

Ajay Shah and Susan Thomas. Market microstructure considerations in index construction. In *CBOT Research Symposium Proceedings*, pages 173–193. Chicago Board of Trade, Summer 1998

Ajay Shah and Susan Thomas. Improving the quality of India’s foreign exchange market. *Prajnan*, XXVI(3), 1997–1998

Ajay Shah and Shuvam Misra. Building India’s National Information Infrastructure. *Economic and Political Weekly*, XXXII(44–45):2880–2884, November 1997

Ajay Shah. Minimum asset-based tax: A critique. *Economic and Political Weekly*, XXI(30):2046–2048, 27 July 1996

Chapters in books

Ajay Shah and Ila Patnaik. India’s experience with capital flows: The elusive quest for a sustainable current account deficit. In Sebastian Edwards, editor, *Capital controls and capital flows in emerging economies: Policies, practices and consequences*, chapter 13, pages 609–643. The University of Chicago Press, 2007

Ajay Shah. Improving governance using large IT systems. In S. Narayan, editor, *Documenting reforms: Case studies from India*, pages 122–148. Macmillan India, New Delhi, 2006

Ajay Shah. Indian pension reform: A sustainable and scalable approach. In David A. Kelly, Ramkishan S. Rajan, and Gillian H. L. Goh, editors, *Managing globalisation: Lessons from China and India*, chapter 7. World Scientific, 2006

Raghuram Rajan and Ajay Shah. New directions in Indian financial sector policy. In Priya Basu, editor, *India’s financial sector: Recent reforms, future challenges*, chapter 4, pages 54–87. Macmillan, 2005

Ajay Shah. Issues in pension system reform in India. In Priya Basu, editor, *India’s financial sector: Recent reforms, future challenges*, chapter 11, pages 205–224. Macmillan, 2005

Ajay Shah and Susan Thomas. Equity derivatives in India: The state of the art. In Susan Thomas, editor, *Derivatives markets in India 2003*, chapter 1, pages 1–25. Tata McGraw–Hill, 2003

Ajay Shah. Market efficiency on the Indian equity derivatives market. In Susan Thomas, editor, *Derivatives markets in India 2003*, chapter 5, pages 99–119. Tata McGraw–Hill, 2003

- Ajay Shah and Susan Thomas. Policy issues in Indian securities markets. In Anne Krueger and Sajjid Z. Chinoy, editors, *Reforming India's External, Financial and Fiscal Policies*, Stanford Studies in International Economics and Development, chapter 4, pages 129–147. Stanford University Press, 2003
- Ajay Shah and Susan Thomas. Securities market efficiency. In James A. Hanson, Patrick Honohan, and Giovanni Majnoni, editors, *Globalization and national financial systems*, chapter 6, pages 145–175. The World Bank and Oxford University Press, 2003
- Susan Thomas and Ajay Shah. Interest rates and their markets. In Kirit Parikh and R. Radhakrishna, editors, *India Development Report 2002*, chapter 12, pages 177–194. Oxford University Press, 2002
- Ajay Shah and Kshama Fernandes. The relevance of index funds for pension investment in equities. In Robert Holzmann and Joseph Stiglitz, editors, *New Ideas About Old Age Security: Toward Sustainable Pension Systems in the 21st Century*. World Bank, January 2001
- Ajay Shah. Overview for ‘Part II: Financial Sector Reforms’. In Gangadhar Darbha, editor, *India's monetary policy in the crucible of reform: The collected speeches of Savak S. Tarapore (1992–1996)*, pages 119–122. Vision books, 2000
- Ajay Shah and Susan Thomas. Policy issues in India's capital markets in 2000. In Surjit S. Bhalla, editor, *New economic policies for a new India*, chapter 9, pages 185–210. ICSSR, February 2000
- Ajay Shah. Equity derivatives in India. In L. C. Gupta, editor, *India's financial markets & institutions*, chapter 22, pages 196–214. Society for Capital Market Research and Development, October 1999
- Kirit S. Parikh and Ajay Shah. Second generation reforms. In Kirit S. Parikh, editor, *India Development Report 1999-2000*, chapter 2, pages 25–34. Oxford University Press, 1999
- Susan Thomas and Ajay Shah. Risk and the Indian economy. In Kirit S. Parikh, editor, *India Development Report 1999-2000*, chapter 16, pages 231–242. Oxford University Press, 1999
- Ajay Shah and Susan Thomas. Rethinking prudential regulation. In Kirit S. Parikh, editor, *India Development Report 1999-2000*, chapter 17, pages 243–255. Oxford University Press, 1999
- Ajay Shah and Susan Thomas. Developing the Indian capital market. In James A. Hanson and Sanjay Kathuria, editors, *India: A financial sector for the Twenty-first century*, chapter 7, pages 205–265. Oxford University Press, 1999

Ajay Shah. Securities markets. In Bibek Debroy and Parth J. Shah, editors, *Agenda for Change*, chapter 1, pages 1–10. Rajiv Gandhi Institute for Contemporary Studies, April 1998

Ajay Shah. The impact of convertibility upon India's fund industry. In Susan Thomas, editor, *The future of fund management in India*, chapter 3, pages 23–34. Tata McGraw Hill, 1998

Ajay Shah. The institutional development of India's financial markets. In Tushar Waghmare, editor, *The future of India's stock markets*, chapter 3, pages 21–39. Tata McGraw Hill, April 1998

Ajay Shah and Susan Thomas. Strengthen institutions for domestic markets. In *Perspectives on international financial liberalisation, Responses to discussion paper 12 "International financial liberalization: Implications for development" by John Eatwell*. UNDP Office of Development Studies, April 1998

Ajay Shah and Susan Thomas. Securities markets. In Kirit S. Parikh, editor, *India Development Report 1997*, chapter 10, pages 167–192. Oxford University Press, February 1997

Ajay Shah. Telecommunications. In Kirit S. Parikh, editor, *India Development Report 1997*, chapter 13, pages 239–250. Oxford University Press, February 1997

Ajay Shah, editor. *The Future of India's Stock Exchanges: Proceedings of Stock Exchanges Summit 1996*. Invest India Economic Foundation, 1996

Encyclopaedias and reference works

Ajay Shah. Securities markets. In Kaushik Basu, editor, *The Oxford Companion to Economics in India*, pages 467–471. Oxford, 2007

Susan Thomas and Ajay Shah. Stock market indexes. In Kaushik Basu, editor, *The Oxford Companion to Economics in India*, pages 503–504. Oxford, 2007

Ajay Shah and Urjit Patel. Pension funds and social security. In Stanley Wolpert, editor, *Encyclopaedia of India*. Charles Scribner's Sons, 2005

Peer review

Editorial Board, *Journal of Emerging Markets Finance*.

Refereeing for *Arth Vijnana*, *Economic and Political Weekly*, *Economic Development and Cultural Change*, *Indian Economic Review*, *International Journal of Development Banking*, *Journal of Comparative Economics*, *Journal of Development Economics*, NSE Research Initiative, *Oxford Economic Papers*, RBI Occasional Papers, *Review of Derivatives Research*, UTI ICM Capital Markets Conference, Oxford University Press, Nupedia.

Committees and advisory roles

“Core Team of Consultants” for *High powered expert committee on making Mumbai an international financial centre*, chaired by Percy Mistry, Ministry of Finance, 2007.

Member, Forward Markets Commission *Risk management group*, 2005–2007.

Board of directors, Centre for Monitoring Indian Economy, 1993–.

Board of directors, National Securities Clearing Corporation, 1997–.

Board of directors, Clearing Corporation of India Ltd., 2001–.

Advisor to *Task force on FRBM Implementation*, chaired by Vijay Kelkar, Ministry of Finance, 2004.

Board of directors, National Commodity Derivatives Exchange, 2003-2005.

Board of directors, Deposit Insurance and Credit Guarantee Corporation., 2000–2005.

Board of directors, India Value Fund Trustee Company Pvt. Ltd, 2000–2001.

Board of directors, IVF (Mauritius) PCC, 2001.

Board of directors, NSE.IT, 1999-2001.

Board of directors, UTI Securities Exchange, 1994-2001.

Board of directors, SBI Funds Management, 2000-2001.

Board of directors, OTC Exchange of India, 1997-2000.

Board of directors, IDBI-Principal Asset Management Company Ltd., 2000-2001.

Board of directors, GLFL Asset Management Company, 1996-1998.

Board of directors, ITC Threadneedle Trustee Company, 1997-1999.

Member, RBI “Advisory group on payment and settlement system”, Chaired by M. G. Bhide, 2000.

Member, RBI “Advisory group on data dissemination”, Chaired by Pravin Visaria, 2000.

Member, RBI’s “Informal group to study the role of bank deposits in resource mobilisation”, 2000.

Member, RBI *Technical advisory committee on the money and government securities markets*, 1999-2001.

Member, RBI *Advisory group on reforms in deposit insurance in India*, 1999.

Member, RBI *Technical group on the repo market*, 1999.

Member, RBI *Group on Securities Clearing Corporation*, 1999.

Member, SEBI *Risk management group*, 2002–2005.

Member, SEBI’s *Secondary markets advisory committee*, 2002–2004.

Member, SEBI’s *L. C. Gupta Committee on Policy for Derivatives* (1996).

Member, SEBI’s *G. P. Gupta Committee on Market Making* (1998).

Member, SEBI’s *Certification Committee* (1999).

Member, *Executive Committee*, National Securities Depository Ltd., 1996-.

Member, NSDL *Computer security committee*, 1997.

Member, NSE *Index policy committee*, 1996-.

Member, NSE *Committee for development of debt market*, 1996-2000.

Member, NSE *Certification steering committee*, 1997-.

Member, NSCC *Committee for risk containment*, 1997.

Member, *Technical advisory group on market surveillance*, NSE, 1996–1997.

Member, Committee on Investor Education and Protection Fund, Department of Company Affairs, 2001-2004.

Member, Project OASIS Committee on old age social and income security (Chaired by S. A. Dave), Ministry of Social Justice and Empowerment, 1999.

Member, *Dave Committee on Infrastructure for Financial Markets*, 1996.

Member, *FICCI working group on capital markets* (chaired by Ashok V. Desai), 1998.

Member, *Board of studies for Department of Management*, Goa University, 2001-2003.

Member, *Investment Committee for Endowment Fund*, IIT, Bombay., 1999-2000.

Board of Scholars, Centre for Civil Society, Delhi, 1999-.

Board of Directors, The OASIS Foundation, 2000-.

Board of Directors, T_EX Users Group (India), 2000-.

India Steering Committee, Global Association of Risk Professionals, Bombay., 1999.

Board of Advisors, Schwendiman International IT Fund LLC, Boston (1999-2000).

Board of Advisors, Business Asia Consulting Pvt. Ltd. (2001).

Projects

Project which led to the creation of the NSE-50 index, funded by US AID (with Susan Thomas).

Consulting for OTCEI on design of market making, December 1996 (with Susan Thomas).

Consulting: *Evaluation of FCC document on international settlement rates*, for Department of Telecommunications, June 1997 (with Kirit S. Parikh).

Consulting: *Evaluation of capital market development activities*, for USAID. In India, December 1997. In the Philippines, February 1998.

Consulting: *Development of Index and Index Fund in Sri Lanka*, for Vanik Incorporation and the Colombo Stock Exchange, March 1998 (with Susan Thomas).

Creation of NSE MIBOR, the methodology for reference rates on the inter-bank call money market, 1998.

Consulting: *Development for Program Trading and Index Arbitrage*, for UTI Securities, May 1998 (with Susan Thomas).

Research project: *Parallel Risk Management (PRISM): Risk containment in real-time using Value at Risk, using parallel computation*, for National Securities Clearing Corporation (NSCC), December 1998 (with Susan Thomas).

Consulting: *Launch of index fund*, IDBI-Principal Mutual Fund, March 1999.

Consulting: *Designing market protocols for the Middle East Financial Network*, for MEFN, Abu Dhabi, 2000.

Research project: *Forecasting economic activity using financial sector variables*, funded by Finance Ministry, GOI, with Susan Thomas, Gangadhar Darbha and Kirit Parikh, commenced June 2000.

Expository

Book review of *Social and economic profile of India* by Peeyush Bajpai, Laveesh Bhandari and Aali Sinha, Social Science Press, 2005 in *Economic and Political Weekly*, April 22, 2006.

Blog at <http://ajayshahblog.blogspot.com>

Fortnightly column in *Business Standard*. Have also written opinion pieces in *Wall Street Journal* and *Economic Times*.

Ajay Shah and Susan Thomas. Derivatives in India: Frequently asked questions. June 2000

Ajay Shah. Value at risk: A conceptual examination. In Susan Thomas, editor, *Derivatives markets in India*, chapter 23, pages 215–224. Tata McGraw–Hill, 1998

Ajay Shah. Black, Merton and Scholes: Their work and its consequences. *Economic and Political Weekly*, XXXII(52):3337–3342, December 1997

Ajay Shah. What ails active fund management? In Tushar Waghmare, editor, *The future of fund management in India – 1997*, chapter 1, pages 3–14. Tata McGraw–Hill, 1997

Ajay Shah. Implementation and fund performance. In Tushar Waghmare, editor, *The future of fund management in India – 1997*, chapter 22, pages 145–152. Tata McGraw–Hill, 1997

Ajay Shah. The market for liquidity. In Ajay Shah, editor, *The Future of India's Stock Exchanges: Proceedings of Stock Exchanges Summit 1996*, pages 1–17. Invest India Economic Foundation, 1996

Teaching

Courses taught: Undergraduate Statistics class, University of Southern California. At IGIDR: First year Ph.D. econometrics and second year Ph.D. finance.

Ph.D. students guided: Tushar Waghmare, Jayatu Sen Chaudhury, Syed Abuzar Moonis, Mandira Sarma, Santosh Kumar, Anuj Arora, Tirthankar C. Pattnaik.