

Current Issues in Economics and Finance

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S. Venkata Seshaiyah · M. Aruna
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Editors

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 Springer

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Preface

This book is a collection of selected papers presented at Fifth International Conference on Applied Econometrics organized by IBS Hyderabad, a constituent of the ICFAI Foundation for Higher Education (IFHE). The conference was held during July 22–23, 2016. It was organized in collaboration with The Indian Econometrics Society (TIES), New Delhi.

This volume consists of 13 research papers selected out of 52 papers presented at the conference. The papers were selected based on their quality in terms of contemporary topic, newness in the methodology, and themes. It covers topics related to current issues in economic growth and development, international trade, macroeconomic and financial stability, monetary policy, intellectual capital and financial performance, productivity performance of Indian banks, corporate social responsibility, and agriculture and food security. All papers have followed an empirical approach to address research issues. Part I covers papers related to fiscal policy, monetary policy, and financial integration. Part II deals with issues related to international trade and economic growth. Part III covers topics related to productivity and firm performance, and finally, Part IV covers issues related to agriculture and food security.

In the opening chapter, Nikita Pahwa analyzes the impact of internal and external debt on economic growth in India by employing Auto Regressive Distributed Lag (ARDL) technique of co-integration. The results of the study indicate that there is a negative effect of both internal and external debts on Indian economy. M.R. Anantha Ramu and K. Gayithri by using vector error correction method (VECM) examine the composition of fiscal deficit and its impact on GDP. The results of the study indicate that fiscal deficit is adversely affecting the growth. Amrendra Pandey and Jagadish Shettigar examine the empirical relationship between monetary policy variables and industrial production since the onset of economic reforms in India. The study becomes important in the backdrop of recent changes in the RBI's monetary policy stance to target inflation. Anoop S. Kumar and B. Kamaiah analyze the co-movements of nine Asian Forex markets which include China, India, Hong Kong, Malaysia, Indonesia, Singapore, Japan, Taiwan, Thailand, and South Korea using bilateral exchange rate against US dollar from January 3, 2006, to September 4, 2015. They employ wavelet-based methodology

to analyze the extent to which the markets are correlated with each other across different timescales.

The second part of the volume consists of two papers on international trade and growth. Laila Memdani examines the link between economic growth and international trade of various countries and examines how it varies across various income groups. Economic integration within regional trading blocs adds the significant value to increase economic growth, trade, investment, etc. Gurpreet Kaur, Vishal Sarin, and Jasdeep Kaur Dhama explore the empirical relationship between export and GDP for BIMSTEC nations by using time series data over 1997–2015 periods.

The third part of the volume contains four papers related to productivity and firm performance. Mohd Anas Raushan and Ahmed Musa Khan empirically investigate the relationship between the value creation efficiency and financial performance measures of selected Indian business process outsourcing (BPO) and knowledge process outsourcing (KPO) firms. The study finds that intellectual capital efficiency has a significant impact on profitability but not on productivity. Value Added Intellectual Coefficient (VAICTM) method is used to measure the value-based intellectual capital performance of the selected companies. Vasiq Nuvaid, Sucheta Sardar, and Sujoy Chakravarty analyze how spending in CSR is related to the ownership pattern and firm performance in India. By using financial data of 176 BSE-listed firms, authors examine how the ownership structure, firm size, and leverage of a firm affect its CSR expenditure over 2010–2015 periods. Jayashree Patil-Dake analyzes the productivity performance of Indian banks in the post-liberalization era with FDI contents. M. Kollapuri examines whether the acquirer banks are more efficient than the target banks in 16 consolidation deals in Indian banking sector during the period 1995–2013.

The last part consists of three papers on agriculture and food security. Madhabendra Sinha and Partha Pratim Sengupta investigate empirically the causal linkage between movements of foreign exchange rate and agricultural performance in India in terms of production and exports in the post-reform period. This chapter explores the underlying long-term co-integrating relationship between foreign exchange rate and agricultural export in India. Bhabani Prasad Mahapatra and Bhagabata Patro examine the nutritional intake using household data on daily food intake which was collected from the villages in Odisha. They discuss the status of nutritional security at household level. Finally, S. Indrakant examines the dynamics of food grain production in Telangana and estimates the contribution of “increase in area under food grains” and “improvement in technology” to the growth of food grain production in Telangana by using simple decomposition technique. Moreover, the chapter also estimates the influence of important determinants on per capita availability of food grains at state and district levels.

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Hyderabad, India

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