

Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Arun Denduluri
Advisor:	Evžen Kočenda
Title of the thesis:	Indian Premier League - The Value of a player

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Please provide your assessment of each of the following four categories. The minimum length of the report is 300 words.

The thesis analyzes the key factors to form a value of players in the game of cricket in India. The thesis is balanced in terms of the subject's introduction, review of the literature, methods, as well as the applied analysis. The empirical work itself is presented with sufficient detail.

Contribution

The thesis analyzes importance of various characteristics that are essential for the valuation of the players in the game of cricket. The auction process employed in the Indian premier league (IPL) results in the value of individual players. In the thesis, a hedonic model is developed that shows how several key characteristics affect specific monetary values of players. Evaluation of the above is done by using the data from the IPL auction from 2008 till 2015. A mixed effects model is employed at the estimation stage. This is a fruitful approach that is also carefully explained in the thesis. The key result of the thesis is that the estimated results differ from the actual values resulting in the auctions. This means that the valuation of the players in auction does not reflect fully the key characteristics of the players themselves. As a consequence, a few star-players are overvalued, while most of the players are significantly undervalued. Despite of this, nationality and age of the players were found to be important valuation factors. The results are presented with a sufficient amount of detail. The thesis represents a comprehensive treatment of the subject with a distinct value added and it opens the doors for further research.

Methods

The empirical part of the analysis was performed with the use of the linear mixed effects model that accounts for both random and fixed effects. The model is particularly useful when estimation is made on data clusters and with unbalanced panels. Those are the properties of the data analyzed in the thesis. Hence, the choice of the methodology is quite adequate. Overall the methodology approach is fine, well motivated and executed.

Literature

The literature is reviewed in a detail and covers all relevant papers. The separate review actually covers also the details of the game of cricket which is presented in an absorbing way. The review is also helpful to understand the game's intricacies and attractiveness for the people. The empirical results are also complemented by some pieces of the related empirical evidence (already cited in the literature section), which position empirical results in a comparative perspective.

Manuscript form

The manuscript form is somewhat unsettled. The clear positive is that the thesis itself is well structured and sections flow in a logical order. The student uses appropriate language but some typos and grammar inconsistencies still find their way into the text. While the sections are numbered in the table of contents, their numbering is missing in the text itself. Data are fully described and well chosen. Hypotheses are clearly stated. Subsections of the thesis are logically connected. The text effectively refers to graphs and tables and disposes with a complete bibliography. Some tables could be presented in a better format, though.

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In case of the successful defense, I recommend the grade "výborně" (excellent, 1), albeit at the bottom of the interval. However, this is because of the formal weaknesses of the manuscript form and not due to the quality of the empirical analysis, employed methodology etc.

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	26
<i>Methods</i> (max. 30 points)	27
<i>Literature</i> (max. 20 points)	18
<i>Manuscript Form</i> (max. 20 points)	10
TOTAL POINTS (max. 100 points)	81
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: *Evžen Kočenda*

DATE OF EVALUATION: 26.8.2017



Referee Signature