

DEPARTMENT OF ECONOMICS
DELHI SCHOOL OF ECONOMICS
UNIVERSITY OF DELHI

Minutes of Meeting

Subject : B.A (Hons.) Economics, Sixth Semester (2016)
Course : 18 Money and Financial Markets
Date of Meeting : Wednesday 13th January, 2016, 3.00 P.M
Venue : Department of Economics, Delhi School of Economics
University of Delhi, Delhi –110007
Chair : Prof. Pami Dua

Attended by:

1	D. Brahma Reddy	SV College
2	Sonia Goel	Ramjas College
3	Anjana Singh	LSR
4	Dorothy	LSR
5	Rakesh Kumar	Maharaja Agrasen College
6	Rituranjan	SRCC
7	Manoj Kumar	SLC (E)
8	Hema Kapur	Hansraj College
9	Shruti Garg	Sri Aurobindo College
10	Anand Mittal	Hansraj College
11	Rashmi Kumar	SBSC(E)
12	Srishty Kasana	IP College
13	Ankit Singh	Dyal Singh College (E)
14	Manzoor Alam	ARSD College
15	Abdul Rahim Ansari	Hindu College
16	Md. Masroor Alam	Satyawati College (M)
17	Shruti Jain	Mata Sundri College
18	Jyoti Mavi	Gargi College
19	Nalini Narula	JDMC
20	Himanshu Singh	Satyawati College (E)
21	Jyoti Prakash	Hansraj College
22	Prarthna Agarwal Goel	Daulat Ram College
23	Nishtha Sadana	Kamala Nehru College
24	Sangya Ranjan	Satyawati College (E)
25	Pemala Lama	Bharti College
26	Rajesh Kumar	Satyawati College (M)
27	Abhash Kumar	Rajdhani College
28	Shreya Dhall	Bhagat Singh College (M)
29	Chitra Verma	Kirorimal College
30	Manisha Vats	Miranda House

For the 100 marks paper, there would be

75 marks: University Exam

25 marks: Internal Assessment (10 marks for class test and 15 marks for project work)

It was decided that for the Semester examination there would be an open choice to attempt any 5 questions out of 8.

The following suggestions were made for the Topic wise Reading List:

TOPIC 1

MONEY: Concept, Functions, Measurement, Theories of Money Supply Determination

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|--------------------|---|
| 1. Baye and Jansen | Chapter 1 pp 2 - 27; Chapter 14 |
| 2. N Jadhav | Chapter 2 Section 2.1, pp (18 –25);
Section 2.3 pp (37-45); Annexure 2.1 |
| 3. RBI Report | Money Supply Analytics and Methodology
of Compilation 1998 chapter 2 pp(11-17) |

TOPIC 2

FINANCIAL INSTITUTIONS, MARKETS, INSTRUMENTS AND FINANCIAL INNOVATIONS:

a) Role of Financial Markets and Institutions; problems of asymmetric information – adverse selection and moral hazard, financial crisis

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| 1. Mishkin & Eakins | Chapter 15 pp(369 – 396) |
| 2. M Y Khan | Chapter 1 |
| 3. Fabozzi et al. | Chapter 1 and Chapter 2 |
| 4.. Baye and Jansen | Chapter 5 pp (153-161) |

b) Money and Capital Markets; Organization, Structure and Reforms in India; Role of Financial Derivatives and Other Innovations

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|------------------|---|
| 1. M Y Khan | Chapter 9 (9.13 -9.32) |
| 2. Bhole | Chapter 5 pp (137-147) |
| 3. Fabozzi et al | Chapter26 pp (496 -504)
Chapter27 pp (517-529)
Chapter30 pp (577 - 580) |

TOPIC 3

INTEREST RATES: Determination, Sources of interest rates differentials, Theories of term structure of interest rates ; interest rates in India

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| 1. Baye & Jansen | Chapter 8 pp (236-251) Chapter 9 and chapter 10 |
| 2. Annual report of RBI 2011 -12 | Box III.1 Base Rate System: An Assessment |
| 3. RBI Bulletin Sep 2013 | Interest Rates and Economic Activity by Deepak Mohanty |

TOPIC 4

BANKING SYSTEM:

a) Balance Sheet and Portfolio Management

b) Indian Banking System. Changing Role and Structure, Banking Sector Reforms

1. RBI Bulletin Sep 2013 Banking Structure in India –Looking Ahead by Looking back
Article by D .Subbarao
2. M Y Khan Chapter12 (12.56-12.57)
3. RBI Bulletin Oct 2012 Basel 111 in International and Indian Context by D.Subbarao
- Reprinted in Indian Financial Reforms edited by Uma Kapila

TOPIC 5

CENTRAL BANKING AND MONETARY POLICY

Functions, Balance Sheet Goals, Targets, Indicators and instruments of monetary control, monetary management in an open economy, current monetary policy of India

1. Baye & Jansen Chapter 19
2. Jadhav Chapter 6.2 - 6.3 - except 6.3.1
Chapter 9.2 - 9.3 - except 9.3.7
Chapter 11.2 – 11.2.4
3. M.Y.Khan Chapter 9 (9.1 - 9.13)
4. Annual Report of RBI 2014 -15 Chapter 3
5. Rakesh Mohan Chapter 8 pp (271 – 276)

READINGS

- 1 F.S.Mishkin and S.G. Eakins Financial Markets and Institutions,
Pearson Education, 6 th Edition ,2009
- 2F.J .Fabozzi, F.Modigliani
,F,J Jones, M.G Ferri Foundations of Financial Markets and Institutions
Pearson Education .3rd Edition , 2009
- 3.M.R.Baye and D.W.Jansen Money, Banking and Financial Markets
AITBS,1996
- 4.Rakesh Mohan Growth with Financial Stability-Central Banking in an Emerging
Market,Oxford University Press ,2011
- 5.L.M .Bhole and J Mahakud Financial Institutions and Markets
Tata McGraw Hill,5th Edition,2011
- 6.M.Y.Khan Indian Financial System
Tata McGraw Hill,7th Edition 2011
7. N. Jadhav Monetary Policy,Financial Stability and Central Banking in India
Macmillan, 2006
- 8.RBI Report of the Working Group: Money Supply Analytics and
Methodology of Compilation, 1998 Annual Report,
RBI Bulletin, Report of Currency and Finance (latest)

