Minutes of Meeting

Subject : B.A (Hons.) Economics, Sixth Semester (2022)
Course : Money and Financial Markets (HE-65), DSE
Date of Meeting : Tuesday 11th January, 2022, 2.00 P.M
Venue : Online ZOOM Meeting
Chair : Prof. Pami Dua

Attended by:

1. Hema Kapur Hansraj College
2. Trisha Jolly JDMC
3. Priti Mendiratta Arora Maitreyi College
4. Deepali Shyama Prasad Mukherji College for women
5. Chandan Kumar Sharma Ramanujan College
6. Malini Sharma Daulat Ram College
7. Chitra Verma Kirorimal college
8. Indu Choudhary Kalindi College
9. Vaibhav Puri SGGSCC
10. Apoorva Gupta Ramjas College
11. D. Brahma Reddy Sri Venkateswara College
12. Meera Malhan DCAC
13. Astha Ahuja Aryabhatta College
14. Rakesh Kumar Dyal Singh College (Day),
15. Juhi Lohani Harjani Deshbandhu college
16. Jagadish Konthoujam Shivaji College
17. Animesh Kumar Kamala Nehru College
18. Vibha Iyer Zakir Husain Delhi College
19. Suman Rani Shyam Lal College

Internal Assessment and Final Exam

Marks allocation in the final exam question paper would be as follows:
Maximum marks: 75

The internal Assessment would be a total of 25 which would comprise 5 marks for attendance and 20 marks for two class tests of 10 marks each or 1 project work in lieu of one class test.

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

Note: In view of the pandemic and OBE, the criteria for grading may be as per the university norms.
The following suggestions were made for the Topic wise Reading List:

**TOPIC 1**

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

1. Baye and Jansen  Chapter 1 (p 2 – 27); Chapter 14 (p.465-486)
2. N Jadhav  Chapter 2 Section 2.1, (p.18 –25); Section 2.3 (2.3.1 to 2.3.6) (p.37-45); Annexure 2.1
3. RBI Report  Money Supply Analytics and Methodology of Compilation 1998 chapter 2 (p.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**

1. M Y Khan  Chapter 1
2. Fabozzi et al.  Chapter 2 (p.23-26)
3. Baye and Jansen  Chapter 5 (p.153-161)
4. Mishkin & Eakins  Chapter 15 (p 369 – 396)

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

1. M Y Khan  Chapter 9 (9.29-9.32)
2. Bhole  Chapter 5 (p.137-146)
3. Fabozzi et al  Chapter26 (p.496 -504)  Chapter27 (p.517-529)  Chapter30 (p.577 - 580)

**TOPIC 3**

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

1. Baye & Jansen  Chapter 8 (p.236-251) Chapter 9 (p.274-294) and chapter 10
3.RBI Illustrative Methodology for the Computation of the Base Rate : pg 4-5.
https://rbidocs.rbi.org.in/rdocs/Content/PDFs/BRF090410_AN.pdf

TOPIC 4

BANKING SYSTEM:

a) Balance Sheet and Portfolio Management
b) Indian Banking System. Changing Role and Structure, Banking Sector Reforms


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

2. Jadhav Chapter 6.2
   Chapter 9.3 - except 9.3.7
   Chapter 11.2 – 11.2.3

5. Annual Report of RBI 2015 -16 Chapter 3, Box III.1 and III.2 (p. 44, p.50)
6. Annual Report of RBI 2020 - 21 Chapter 3
**READINGS**

1. F.S. Mishkin and S.G. Eakins  
   Financial Markets and Institutions,  

2. F.J. Fabozzi, F. Modigliani, F. J Jones, M.G Ferri  
   Foundations of Financial Markets and Institutions  

3. M.R. Baye and D.W. Jansen  
   Money, Banking and Financial Markets  
   AITBS, 1996

4. L.M. Bhole and J. Mahakud  
   Financial Institutions and Markets  

5. M.Y. Khan  
   Indian Financial System  

6. N. Jadhav  
   Monetary Policy, Financial Stability and Central Banking in India, Macmillan, 2006

7. RBI Report, October 4, 2017  
   ‘Report of the Internal Study Group to Review The Working of the Marginal Cost of Funds Based Lending Rate System’, Reserve Bank of India, September, 2017,  

8. RBI  
   ‘Illustrative Methodology for the Computation of the Base Rate L: pg 4-5.  
   [https://rbidocs.rbi.org.in/rdocs/Content/PDFs/BRF090410_AN.pdf](https://rbidocs.rbi.org.in/rdocs/Content/PDFs/BRF090410_AN.pdf)

9. RBI  

10. P. Dua  
    Monetary Policy Framework in India, Indian Economic Review, Vol. 55, Issue 1, June 2020

11. R. Sengupta and H. Vardhan  

12. RBI  