

DEPARTMENT OF ECONOMICS  
DELHI SCHOOL OF ECONOMICS  
UNIVERSITY OF DELHI

**Minutes of Meeting**

**Subject** : B.A (Hons.) Generic Elective Economics, Semester III  
**Course** : Money and Banking (GE32)  
**Date of Meeting** : Wednesday 28<sup>th</sup> July, 2021, 3.00 P.M  
**Venue** : Online ZOOM Meeting  
**Chair** : Prof. Pami Dua

A Sub-Committee of the following teachers was formed to finalise the topic-wise reading list:

1. Hema Kapur (Coordinator)
2. Divya Gupta
3. Abdul Rahim Ansari
4. Sakshi Jindal
5. Chitra Verma
6. Vaibhav Puri

**Attended by:**

S.No.	Name	College
1	Hema Kapur	Hansraj College
2	Shruti Goyal	Shivaji College
3	Vaishali Kapoor	SPM
4	Vaibhav Puri	Sri Guru Gobind Singh College of Commerce
5	Megha Jacob	Jesus and Mary College
6	Deepika Sharma	PGDAV College Evening
7	Dorothy Roy Chowdhury	Dyal Singh Evening College
8	Chitra verma	Kirorimal college
9	Hema Nagpal	Sri Aurobindo College ( Morning)
10	Divya Gupta	Mata Sundri College for Women
11	Renu Kumari Verma	Motilal Nehru College Evening
12	Meera Malhan	DCAC
13	Jasica Chakma	Hansraj College
14	Sangya	Satyawati College Evening
15	Nehkhola Haokip	Shyam Lal College Evening
16	Abdul Rahim Ansari	Hindu College
17	Yuthika Agarwal	Shaheed Rajguru College of Applied Sciences for Women
18	Malini Sharma	Daulat Ram College
19	Mamta	Shaheed Bhagat Singh College(M)
20	Rakhi Solanki	Sri Aurobindo College (M)

21	Swarup Santra	Satyawati college
22	Sneha Bhardwaj	Sri Venkateswara College
23	Madhurendra Singh	Motilal Nehru College
24	Anil Kumar Singh	Shyam Lal College Evening
25	Sakshi Jindal	Mata Sundri College for Women
26	Megha Jacob	Jesus & Mary College
27	Kamal Kishore	Lakshmibai College
28	Harikesh Maurya	Lakshmibai College
29	Rashmi Chaudhary	Kalindi 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 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**

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|--------------------|--|
| 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);<br>Section 2.3 (p. 37-45); Annexure 2.1      |
| 3. RBI Report      | Money Supply Analytics and Methodology<br>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. Mishkin& Eakins | Chapter 15 (p. 369 – 396) |
| 2. M Y Khan        | Chapter 1 (p.1.13-1.15)   |
| 3. Baye and Jansen | Chapter 5 (p. 153-161)    |

##### **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. 137-143)  |
| 3.Fabozzi et al | Chapter26 (p. 496 -504)<br>Chapter27 (p. 517-529)<br>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 10   |
| 2. RBI Report, October 4, 2017 | ‘Report of the Internal Study Group to Review<br>The Working of the Marginal Cost of Funds Based<br>Lending Rate System’, Reserve Bank of India, September,<br>2017; Chapter 1(p. 1-2) and Chapter 2 (p. 5-7). |

## **TOPIC 4**

### **BANKING SYSTEM:**

#### **a) Balance Sheet and Portfolio Management**

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

1. Sengupta and Vardhan Non-performing Assets in Indian Banks, EPW, Vol. 52, Issue No. 12, 25 Mar, 2017, Money, Banking and Finance 2017
2. RBI Glossary, Master Circular - Prudential Norms on Capital Adequacy - Basel I Framework – 2012, July 2, 2012.
3. RBI Bulletin Oct 2012 Basel III 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 (p. 666-687, 692-693, 697-705)
2. Jadhav Chapter 9 (section 9.3.4)
3. M.Y.Khan Chapter 9 (9.1 - 9.10, 9.12-9.13)
4. P. Dua Monetary Policy Framework in India, Indian Economic Review, Vol. 55, Issue 1, June 2020, Pages 117–154  
<https://link.springer.com/article/10.1007/s41775-020-00085-3>
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: Monetary Policy Operations
7. Monetary Policy [https://www.rbi.org.in/scripts/FS\\_Overview.aspx?fn=2752](https://www.rbi.org.in/scripts/FS_Overview.aspx?fn=2752)

## READINGS

- 1.F.S.Mishkin and S.G. Eakins Financial Markets and Institutions, Pearson Education,6 th Edition,2011
- 2.F.J .Fabozzi, F.Modigliani, Foundations of Financial Markets and Institutions
3. F. J Jones,M.G Ferri Pearson Education, 3<sup>rd</sup> Edition , 2009
- 4.M.R.Baye and D.W.Jansen Money, Banking and Financial Markets  
AITBS,1996
- 5.L.M .Bhole and J.Mahakud Financial Institutions and Markets, Tata McGraw  
Hill, 5<sup>th</sup> Edition,2011
- 6.M.Y.Khan Indian Financial System, Tata McGraw Hill,7<sup>th</sup>Edition  
2011
7. N. Jadhav Monetary Policy,Financial Stability and Central Banking in  
India, Macmillan,2006
- 8.P. Dua Monetary Policy Framework in India, Indian Economic Review,  
Vol. 55, Issue 1, June 2020
9. 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,  
<https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=878>
- 10.RBI Report of the Working Group:Money Supply Analytics  
and Methodology of Compilation,1998 Annual Report;  
Master Circular - Prudential Norms on Capital Adequacy - Basel I  
Framework – 2011;
- 11.RBI Annual Report; 2020-21 (latest).
12. R. Sengupta and H.Vardhan [http://www.epw.in/journal/2017/12/money-banking-  
and-finance/non-performing-assets-indian-banks.html](http://www.epw.in/journal/2017/12/money-banking-and-finance/non-performing-assets-indian-banks.html)