**Curriculum Plan (Even Semester 2020-21)**

**Course Name:** B.A. (H) Economics Part III

**Paper Name:** Money & Financial Markets (DSE)

Paper Code: 12277606

**Faculty Name:** Dr. Indu Choudhary

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| **S.No.** | **Topic** | **References From**  **Recommended Text**  **Books** | **Tentative Time Schedule** |
| 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 (p. 37-45); Annexure 2.1  3. RBI Report Money Supply Analytics and Methodology  of Compilation 1998 chapter 2 (p. 11-17) | **Jan. (1st-3rd Week)** |
| 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  3. Fabozzi et al. Chapter 2 (p. 21-27)  4.. Baye and Jansen Chapter 5 (p. 153-161) | **Jan (4st Week)- Feb.(1st Week)** |
| 3. | **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)  Chapter 27 (p. 517-529)  Chapter 30 (p. 577 - 580) | **Feb. (1st -2nd Week)** |
| 4. | **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  2. 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; Chapter 1 (p. 1-2) and Chapter 2  (p. 5-7) | **Feb. (4th Week)- Mar. (2nd Week)** |
| 5. | **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  4. RBI, Notification on Prudential Framework for Resolution of Stressed Assets, June 7, 2019, pg1-3. | **Apr. (1st & 2nd Week)** |
| 6. | **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 6.2  Chapter 9.3 - except 9.3.7  Chapter 11.2 – 11.2.3  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  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  7. Monetary Policy https://www.rbi.org.in/scripts/FS\_Overview.aspx?fn=2752 | **Apr. (2nd-4th**  **Week)** |
| **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  F. J Jones, M.G Ferri Pearson Education, 3rd Edition , 2009  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  Tata McGraw Hill, 5th Edition, 2011  5. M.Y.Khan Indian Financial System  Tata McGraw Hill, 7th Edition 2011  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, https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=878  8. 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; RBI Bulletin;  Report of Currency and Finance (latest).  9. 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-%20and-finance/non-performing-assets-indian-banks.html)  10. 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  11. RBI, Notification on Prudential Framework for Resolution of Stressed Assets, June 7, 2019, pg1-3. https://rbidocs.rbi.org.in/rdocs/notification/PDFs/PRUDENTIALB20DA810F3E148B099C1 13C2457FBF8C.PDF | | | |
| **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. | | | |