

BFX-CBMP1001– Central Banking and Monetary Policy

JSBF Elective–Fall Semester 2026

Course Information

Course Duration: Fall Semester 2026

Credit Hours: 60

Meetings: NA

Location:

Prerequisites: Economics II/Macroeconomics

Equivalent Courses: NA

Exclusive Courses: NA

Instructor Information

Instructor: Pooja Kapoor

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1. Course Description

The course "Central Banking and Monetary Policy" aims to provide students a comprehensive exploration of the concepts, frameworks, and practices central to monetary economics and the functioning of central banks, with a particular focus on India. Beginning with foundational topics like the concept, functions, and theories of money supply, the course delves into the determinants of interest rates and their theoretical underpinnings. Special emphasis is placed on the evolution, balance sheet analysis, and contemporary challenges of the Reserve Bank of India (RBI), along with the study of current reports and research from the RBI, equipping students with the tools to critically evaluate real-world monetary policies and trends. Through analysis of RBI bulletins, annual reports, and key research papers, students gain practical insights into contemporary issues and challenges in central banking. Overall, this course focuses on the real-world applications of the monetary economics concept and fostering a research-oriented approach to learning.

2. Course Intended Learning Objectives (Aim)

Course Intended Learning Outcomes	Teaching and Learning Activities	Assessments/ Activities
CLO1 description: Developing an understanding of the concepts, functions, and theories related to money supply, interest rates, and monetary policy frameworks.	A mix of lectures and class discussions and case studies	A1-A4
CLO2 description: Developing the ability to analyze and interpret monetary policy decisions and their impact on the Indian economy using research-oriented frameworks.	A mix of lectures and class discussions and case studies	A1-A4
CLO3 description: Gaining insights into the structure, functioning, and evolution of the Reserve Bank of India, including its role in addressing emerging economic challenges.	A mix of lectures and class discussions and case studies	A1-A4
CLO3 description: Applying theoretical models, such as IS-LM and Mundell-Fleming frameworks, to analyze	A mix of lectures and class discussions and case studies	A1-A4

macroeconomic policies and global financial dynamics effectively.		
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3. Scheme of Evaluation and Grading

Evaluation breakup

Assessment Task	Weightage	Nature	Week of Assessment
A1: Quiz I	25	Individual	Week 9-10
A2: Quiz II/Group Presentation	25	Individual	Week 12-14
A3: Case study/Reports	10	Individual/Group	Week 3-14
A4: Class Participation	10	Individual	Week 1-14
A5: End Term	30	Individual	End of Semester

Please note assignment topics, the weightage and schedule are subject to change during the course

A1: Quiz: MCQs, short and long answers

A2: Quiz/ Group Presentation/Group Discussion

A3: RBI caselets/reports

A4: Class Participation: To ensure diligence & optimize learning the teaching session will involve discussion. The discussion responses would feed into the class participation assessment of the students.

A5: End Term: The end term exam may include descriptive questions/caselets.

Grade Definition

The schema of the grade sheet may change. Students will be informed well in advance of any changes in the schema of the grade sheet.

Letter Grade	Percentage Of marks	Grade Value	Grade Definitions
O	80 and above	8	Outstanding: Exceptional knowledge of the subject matter, thorough understanding of issues; ability to synthesize ideas, rules and principles and extraordinary critical and analytical ability.
A+	75-79	7.5	Excellent: Sound knowledge of the subject matter, thorough understanding of issues; ability to synthesize ideas, rules and principles and critical and analytical ability.

Letter Grade	Percentage Of marks	Grade Value	Grade Definitions
A	70-74	7	Very Good: Sound knowledge of the subject matter, excellent organizational capacity, ability to synthesize ideas, rules and principles, critically analyse existing material and originality in thinking and presentation.
A-	65-69	6	Good: Good understanding of the subject matter, ability to identify issues and provide balanced solutions to problems and good critical and analytical skills.
B+	60-64	5	Fair: Average understanding of the subject matter, limited ability to identify issues and provide solutions to problems and reasonable critical and analytical skills.
B	55-59	4	Acceptable: Adequate knowledge of the subject matter to go to the next level of the study and reasonable critical and analytical skills.
B-	50-54	3	Marginal: Limited knowledge of the subject matter and irrelevant use of materials, and poor critical and analytical skills.
P1	45-49	2	Pass 1: Pass with Basic understanding of the subject matter.
P2	40-44	1	Pass 2: Pass with Rudimentary understanding of the subject matter. (Not applicable to Bachelor of Architecture)
F	Below 40	0	Fail: Poor comprehension of the subject matter; poor critical and analytical skills and marginal use of the relevant materials. Will require repeating the course.
P	Pass		'P' represents the option of choosing between Pass/Fail grading system over the CGPA grading system in the COVID 19 semester in Spring 2020. The option is provided when students attain a minimum of 40 percentage marks under the current grading structure in a given subject.
I	Incomplete		Extenuating circumstances preventing the student from completing coursework assessment, or taking the examination; or where the Assessment Panel at its discretion assigns this

Letter Grade	Percentage Of marks	Grade Value	Grade Definitions
			grade. If an “I” grade is assigned, the Assessment Panel will suggest a schedule for the completion of work, or a supplementary examination.

4. Academic Integrity

Academic Integrity and Plagiarism: Learning and knowledge production of any kind is a collaborative process. Collaboration demands an ethical responsibility to acknowledge who we have learnt from, what we have learned, and how reading and learning from others have helped us shape our own ideas. Even our own ideas demand an acknowledgement of the sources and processes through which those ideas have emerged. Thus, all ideas must be supported by citations. All ideas borrowed from articles, books, journals, magazines, case laws, statutes, photographs, films, paintings, etc., in print or online, must be credited with the original source. If the source or inspiration of your idea is a friend, a casual chat, something that you overheard, or heard being discussed at a conference or in class, even they must be duly credited. If you paraphrase or directly quote from a web source in the examination, presentation or essays, the source must be acknowledged. The university has a framework to deal with cases of plagiarism. All form of plagiarism will be taken seriously by the University and prescribed sanctions will be imposed on those who commit plagiarism.

Participation/Attendance Policy: 75% attendance is compulsory. Participation marks are as per evaluation schema. **Use of phone/ texting/ laptop: Not allowed. Students who arrive late to class after the scheduled start time will not be marked as present.**

5. Keyword Syllabus

Money; monetary policy; central bank; inflation; interest rate; RBI

6. Course Material

Jadhav,N., Monetary policy, financial stability and central banking in India, 2006, New Delhi Macmillan, New Delhi.

Dornbusch, R., Fisher, S., and Startz, R., Macroeconomics, 12th edition, 2013, Tata McGraw Hill, New Delhi.

Selected Journal Articles and RBI Bulletins, RBI Reports, Economic Survey (Listed in the course manual).

7. Session Plan

Session (with Date)	General Topic	Readings	Approach/Pedagogy
Week 1 & 2	Money concept, functions, theories of money supply	Jadhav, N., Monetary policy, financial stability and central banking in India, 2006 - Chapter 2	Lecture/case study
Week 3, 4 & 5	Interest rates theories and determination Term structure IS-LM framework	Jadhav, N., Monetary policy, financial stability and central banking in India, 2006 - Chapter 3. Dornbusch, Fisher, and Startz, Macroeconomics, 12th edition, 2013 – Chapter 11.	Lecture/case study
Week 6, 7 & 8	Monetary Policy Formulation and Conduct of Monetary Policy in India	Jadhav, N., Monetary policy, financial stability and central banking in India, 2006 - Chapter 6 & 9.	Lecture/class discussion
Week 9 & 10	Evolution of RBI, RBI's balance sheet, emerging issues	Jadhav, N., Monetary policy, financial stability and central banking in India, 2006 - Chapter 11.	Lecture/class discussion
Week 11 & 12	Impossible Trinity: IS-LM-BP or Mundell-Fleming Model	Jadhav, N., Monetary policy, financial stability and central banking in India, 2006 - Chapter 5.	Lecture/class discussion
Week 13	Latest issues of RBI Bulletins, Annual Reports, MPC report, RBI research papers, DBIE	https://data.rbi.org.in/DBIE/#/dbie/home	Lecture/case study
Week 14	Revision		

Please note, session topics and activities may be subject to change during the course.