

INDEX

Note: Page numbers followed by “*n*” with numbers indicate footnotes.

- Accreditation, 141
- Accredited Loan Providers, 171
- Acontractionary monetary policy, 8
- Actual inflation rate, 19, 245
- African stock markets, 75–76, 81
- Aggregate supply linkage, 51
- Akaike information criterion (AIC), 52, 229, 246, 280
- All Share Index (ASI), 50–51
- Annual population growth rate, 148
- ANOVA, 356–358
- AR Root table, 229
- Argentina Great Depression (1998–2002), 111
- Asian economy
 - developing economies, 124–125
 - globalization and inflation in, 123–124
- Asian financial crisis (1997), 111–112, 350–351
- Asset prices, 47, 114
 - booms and bursts, 177–178
 - bubbles, 51
 - effects, 49
 - impact and credit burst, 178
 - speculative bubbles in, 48
- Asset-based reserve management system, 267
- Assisted reproductive treatment (ART), 135
- Augmented Dickey Fuller test (ADF test), 99, 150, 177, 226, 246, 268, 280, 312, 342–343
 - panel unit root tests, 125
 - unit root test, 295
- Autocorrelation, 267
 - coefficient, 125
- Autoregressive distributed lag (ARDL), 92, 98
- Axis bank, 203, 303–305
- Balance of payment (BOP), 350–351
- Balance sheet channel, 323–325
- Bank borrowing to total assets (BKDEBT), 327
- Bank Mitra, 172
- Bank of Japan (BOJ), 265
- Bank-lending channel, 323–325
- Bank(ing)
 - activity in country, 70
 - bank-based systems, 326
 - customers, 66, 71
 - low interest rates affecting bank depositors, 68–70
 - profitability, 299
 - sector, 184, 253
 - size, 66
- Banking Commission (1972), 170
- Bankruptcies, 114
- Barclays, 367
- Barro–Gordon model, 212
- Base line model, 19–26
- Base rate system, 299, 301
- Baseline theoretical model, 18
- Bazaar bill market, 165
- Benchmark prime lending rate (BPLR), 301
- Bharatiya Mahila Bank, 69–70
- Bivariate non-stationary model, 269
- Bivariate regressions, 246
- Bivariate VAR models, 280
- “Black economy”, 294
- Black money, 223
- Boom–bust cycles, 47–48
- Borrowers, 166–167
- Bradford and Bingley Building Society, 367
- Bretton Woods system (1971), 110
- Breusch and Pagan Lagrangian multiplier test, 257
- Breusche–Pagan test, 150

- Broad credit channel (*see also* Balance sheet channel)
- Brownian motion, 79
- BSE Sensex, 280–282
- Bubbles, asset price booms, 177–178
- Business correspondent (BC), 166
- Calibrating sectorial analysis, 77
- Canada
 - financial and credit regulatory landscape in, 365
 - insurance regulations and credit insurance landscape in, 366
 - Post-GFC 2008 scenario in, 366
- Canara bank, 305
- Capital accounts, 147
- Capital flows, 282
- Capital markets, 324
 - effects of monetary policy, 4
 - interest rate, 8
 - literature review, 5–7
- Captive segment, 165
- Cash crunch initiative, 224, 226
- Cash reserve ratio (CRR), 90, 295, 301–302, 356
- “Cash wash” initiative, 224
- Cashless economy, 224
- CDRSCBs, 295
- Cell phone messaging technology, 172
- Central Bank of Nigeria (CBN), 89
 - Statistical Bulletin, 93
- Central Bank of Nigeria Statistical Bulletin, 52
- Central bankers, 337
- Central banks, 3, 17, 48–49, 213
 - monetary policies, 114
- Chi-square test, 137
- China, India and South East Asian (ASEAN), 121
- Cholesky graphs, 52, 57
- CIS countries, 266
- Classical monetary policy, 213
- Classification matrix, 141
- Clinical Establishment Act (CE Act), 133
- Co-integration
 - equation, 317
 - method, 267–268
- Coefficient of variance (CoV), 80
- “Collateral damage”, 48
- Commercial Banks, 65, 197
 - data source and research methodology, 255–257
 - empirical analysis, 257–259
 - objective of study, 255
 - review of literature, 253–255
- Commercial institution, 253
- Committee on Global Financial System (CGFS), 276
- Commodity prices, 122
- Confusion matrix, 141
- Consumer Financial Protection Bureau, 369
- Consumer price index (CPI), 124, 292, 341, 352
 - inflation, 69
- Contested segment, 165
- Contractionary policy, 349
- Control variables, 331
- Corporate financial structure, 323
- Correlation coefficient, 177, 330
- Correlation matrix, 330
- Creative destruction process, 148
- Credit, 164
 - booms and bursts, 178
 - dissemination to SHG, 315–319
 - market imperfections, 267
 - policies of central banks, 66
 - rationing, 352
 - risk, 359
 - transactions, 161
 - view, 323–325
- Credit flow, 313
 - inter-regional differences in, 318–319
- Credit insurance, 359
 - in Canada, 366
 - data and methodology, 363
 - discussions over regulatory landscape of credit financing and insurance covers, 363–369

- in France, 368
- G7 economies' trade credit
 - insurance market during GFC 2008, 361
- in Germany, 366–367
- in Italy, 365
- in Japan, 364
- literature review, 362–363
- monetary policy of G7 economies
 - and output loss during GFC 2008, 360
- theoretical framework and
 - hypothesis development, 363
- in UK, 367
- in US, 369
- world's trade credit insurance market
 - during GFC 2008, 360
- Credit–deposit ratio, 295–296
- Credit–deposit ratio of scheduled commercial banks (CDRCBs), 291
- Crisis period, 195
 - Johansen cointegration, 193
 - period closing descriptive statistics, 189
 - pre, and post period correlation
 - between Sensex and companies' return, 191
- Criticism, 165
- Cross country evidences, 162–165
- Cross-border liquidity, 277
- Cross-country data analysis, 36
- Customer service point, 172
- Data envelopment analysis (DEA), 198–199
- Data generating process (DGP), 76
- Davies problem, 79
- Debt-management considerations, 340
- Decision-making
 - process, 134
 - units, 198–199
- Decoupling theory, 356
- Demand Following Approach, 148
- Demographic pressures, 67
- Demonetization in India, 133, 137, 139, 223
 - AR root table for models under consideration, 235
 - augmented Dickey Fuller test
 - statistics, 234
 - black economy, 223–224
 - data and econometric model, 226
 - database, 226
 - empirical findings and discussion, 229
 - estimation strategy, 227–229
 - Granger causality, 229–230, 237–239
 - impulse response function, 230–231
 - lag length selection for models, 234
 - macroeconomic and
 - microeconomic theoretical sketch, 225–226
 - mitigating problems of, 294–295
 - model specification results, 234
 - objective of study, 225
 - result of VAR estimates, 235–236
 - review of literature, 224
 - stability analysis for VAR system, 229
 - stationarity of variables, 226
 - variables definition, 233–234
- Dependent variable, 136–137
- Descriptive statistics, 336
 - crisis period closing, 189
 - of explanatory variables, 137
 - post-crisis period closing, 190
 - pre-period closing, 188
- Development aid
 - effectiveness of, 35
 - negative effect, 43
- Digital India, 224
- Directors' and Officers' insurance (D&O), 369
- Discontinuous process, 148
- Discount window operations (DWO), 90
- Discretionary monetary policy, 214
- Discriminant analysis, 136
- Discriminant function, 141

- DMUs, 198–200
- Dodd-Frank Act, 369
- Domestic aggregate demand, 227
- Domestic agricultural prices, 123
- Domestic demand (DMD), 124
- Dominant monetary regime, 213
- Dow Jones Industrial Average (DIJA), 176, 184
- Drug rehabilitation, 135
- Dumitrescu Hurlin panel causality analysis, 9–10, 12
 - test, 4
- Dynamic influence of globalization
 - on inflation in developing Asia, 124–126
- Dynamic panel regression model, 125
- Dynamic process, 148
- E7 economies, application on, 9–10
- Early warning indicators (EWIs), 278
- ECM-autoregressive distributed lag model (ECM-ARDL model), 342, 344
- Econometric model, 226–229
- Economic
 - crisis, 289
 - development, 148
 - growth, 71, 175–176, 212, 241–242
 - policy, 211
 - reforms, 300
 - sectors, 198
 - theory, 47
- Efficiency change (EFFCH), 200
- Efficient market hypothesis (EMH), 75–76
- Endogenous variables, 153
- Engle–Granger method, 268
- Enterprise bankruptcies, 110–111
- Error correction (EC), 151
- Error correction model (ECM), 48, 98, 267
- Errors and Omissions insurance, 369
- European Central Bank (ECB), 265, 368
- European crisis, 110
- European economy, 176
- European financial stabilization mechanism, 112
- Excessive credit rationing, 167
- Exchange rate, 109, 243, 342
 - stability, 219
- Expansionary monetary policy, 349
- Expected inflation
 - over life of asset, 66
 - rate, 19
- Expected interest rate on real interest rate in short term, 66
- Explanatory variables, 327
- Exponential smooth transition autoregressive process (ESTAR), 76, 78
- “Export-led mercantilist” model, 367
- F*-test, 256
- Fear of floating, 338
- Federal Reserve policy, 243
- Federal Reserve System (FED), 265
- Federal Reserve’s Open Market Committee (FOMC), 244
- Fiat money, 213
- Financial and credit regulatory landscape
 - in Canada, 365
 - in France, 367–368
 - in Germany, 366
 - in Italy, 364–365
 - in Japan, 363–364
 - in UK, 367
 - in US, 368–369
- Financial development, 147–148, 151
 - data, 150
 - and growth, 157
 - Johansen cointegration test results, 153
 - methodology, 150–152
 - objective, 149
 - results and discussion, 152
 - unit roots test results, 152

- VAR for USA and China, 154
- VAR granger causality test results for USA and China, 155–156
- VAR stability test for countries, 160
- Financial markets, 110–111, 324
 - crisis, 290
- Financial sector, 148, 253
 - Financial sector reforms, 197, 253, 299
- Financial/finance
 - accelerator, 51
 - assets and institutions, 175
 - capital, 289
 - crisis, 114, 175, 254, 267
 - development, 148
 - environment, 340
 - excluded borrowers, 166
 - factors, 276
 - finance–growth relationship, 148–149
 - imbalances, 49
 - inclusion, 311, 314
 - institutions, 113, 147
 - intermediaries, 277
 - intermediation approach, 201
 - investors, 112
 - liberalization policy, 164, 170–171
 - repression models, 164–165
 - rescue plans, 114
 - served borrowers, 166
 - stability, 219, 277
 - system, 175, 341
 - turmoil, 213
- Financing behavior, 329
- Firm-specific characteristics, 329
- Fiscal Responsibility and Budget Management Act (FRBM Act), 338, 340
- Fisher Index, 199–200
- Five Year Plan (11th), 314
- Fixed assets, 331
- Fixed effects
 - dynamic panel models, 125
 - estimator, 330
 - models, 125–126
- Fixed exchange rates, 92, 341
- Flexible monetary targeting system, 212
- Flexible price level targeting, 92
- Foreign currency, 147
- Foreign direct investment (FDI), 123, 276
- Foreign investors, 276
- Foreign prices, 243
- Formal credit market linkage, 162–165
- Formal financial institutions, 161
- Formal financial service providers, 166
- Formal sector, 161
- Forward-looking monetary policy rule, 18
- Fragmented duopoly credit market and implications on monetary policy, 165–169
- France
 - financial and credit regulatory landscape in, 367–368
 - insurance regulations and credit insurance landscape in, 368
 - post-GFC 2008 scenario in, 368
- “FSB Principles”, 366
- Funds, 161
 - fund-based operating performance, 198
 - politics in India, 65
- G7 economies
 - discussions over regulatory landscape of credit financing and insurance covers in, 363–369
 - monetary policy and output loss during GFC 2008, 360
 - trade credit insurance market during GFC 2008, 361
- GARCH (1,1) unit root test, 79, 81, 83
- GARCH methodology, 8
- Generalized method of moments approach (GMM approach), 124–125, 127
- German insurance industry, 366

- Germany
 - financial and credit regulatory landscape in, 366
 - insurance regulations and credit insurance landscape in, 366–367
 - post-GFC 2008 scenario in, 367
- “Gesell tax”, 71–72
- Global crisis period, 277–278
- Global cross-border credit, 280, 282
- Global economic crisis, 111, 289
 - Argentina (1998–2002), 111
 - Asian Crisis (1997), 112
 - Greece (2009), 112
 - Ireland (2008–2011), 112
 - Portugal (2010–2014), 112
 - Russian Federation, 111
 - Spain (2008–2015), 111
 - United State of America (2009–2010), 111
- Global economy, 111, 113, 122
- Global environment, monetary policy in, 338–339
- Global financial crisis (GFC), 110, 112, 175, 275, 290, 324, 354–357, 197 213
 - crisis period, 195
 - crisis period closing descriptive statistics, 189
 - database and methodology, 176–177
 - empirical findings, 179–185
 - G7 economies’ trade credit insurance market during, 361
 - genesis, 177–178
 - impact on foreign participation and gross premium growth rate, 362
 - India, 178–179
 - monetary policy of G7 economies and output loss during, 360
 - monetary policy phases and targets around, 291–293
 - post period, 196
 - post-crisis period closing descriptive statistics, 190
 - pre, crisis, and post period
 - correlation between Sensex and companies’ return, 191
 - pre, crisis, and post-period
 - Johansen cointegration, 193
 - pre period, 194
 - pre-period closing descriptive statistics, 188
 - pre-period stationarity test result, 192
 - world’s trade credit insurance market during, 360
- Global financial crisis, 177–178
- Global financial markets, 113–114
- Global financial system, 115
- Global food prices, 124
- Global inflation rates, 123
- Global liquidity, 275
 - central bankers, 275–276
 - concepts, measurement, and effects, 276–278
 - effect on BSE Sensex, 281
 - global liquidity and Indian Stock Market, 278–280
 - results, 280–282
 - trends in growth of US cross-border credit and BSE, 287
 - trends in stock of global credit and BSE, 285–286
- Global market, 133
- Global monetary aggregates, 278
- Global output gap, 123
- Global private liquidity, 277
- Global recession effect, 176
- Global trade, 114–115, 121
 - reform, 115
- Globalism, 110–111
- Globalization, 121, 147, 265
 - data and methodology, 124
 - dynamic influence, 124–126
 - empirical results, 126–127
 - globalization-fueled growth alters consumption pattern, 121–122
 - of monetary policy, 337–339

- network, 147
- review of literature, 122–123
- scenario of globalization and
 - inflation in Asian economy, 123–124
- Globalized economy, 265
- “Good policy” variable, 36
- Governance dummy variables, 331, 333
- Government fiscal policies, 115
- Granger causality, 229–230, 245
 - among variables indifferent groups, 237–239
- test, 269
- Granger causality method, 157
- Granger representation theorem, 98
- Great Depression, 214
- “Great inflation” (1970s), 214
- Great Recession, 112
- Greece crisis (2009), 112
- Gross domestic product (GDP), 28,
 - 111, 121, 224, 266, 292, 311, 342
 - growth rate, 175
 - growth rate in India, 355
 - per capita, 37–38, 148
- Gross fixed capital formation, 148–149
 - index, 39
- Gross value added (GVA), 224
- Group ADF-Statistic test, 9
- Group PP-Statistic test, 9
- Group rho-Statistic test, 9
- Growth of per capita income (GRTH), 151
- Growth rate, 147
 - data, 150
 - Johansen cointegration test
 - results, 153
 - methodology, 150–152
 - objective, 149
 - results and discussion, 152
 - unit roots test results, 152
 - VAR for USA and China, 154
 - VAR granger causality test results
 - for USA and China, 155–156
 - VAR stability test for countries, 160
- Growth-oriented adjustment
 - programmers, 110
- grw_gdp* variable, 233
- grw_gfce* variable, 233
- grw_gfcf* variable, 233
- grw_pfce* variable, 233
- Halifax Bank of Scotland (HBOS), 367
- Hannan-Quinn information criterion, 52, 280
- Harmonization of Bank and Security Related Regulations, 366
- Hausman chi-square test, 257
- Hausman test, 256
- HDFC bank, 302
- Health Tourism, 133
- Healthcare sector, 184
- Heteroskedasticity, 50
 - test, 157
- Hicksian IS–LM framework, 93
- Histogram-normality test, 157
- Hodrick–Prescott filter methodology, 28, 312, 318
- Horizontal interlinkage, 161
- Hospital sector in India, 133
- Hospital types, 134
- HSBC, 367
- Hyperinflation, 124
- IBM SPSS V.23.0, statistical analysis
 - with, 303
- Im, Pesaran, and Shin panel unit root tests (IPS panel unit root tests), 125
- Implicit interest rate, 167
- Impossible trinity, 294, 341
- Impulse response function, 52–53, 230–231
- Independence monetary policy, 341
- Independent variables, 40, 136–137, 139–140
- India (*see also* Demonetization in India; Monetary policy in India), 178–179

- global liquidity and Indian stock market, 278–280
- Indian banking sector, 198
- Indian financial sector, 290
- Indian rural economy, 313
- long-term risk-free interest rates
 - in, 67
- Indian Central Banking Enquiry Committee (1931), 169
- Indian commercial banking industry, 199
 - financial intermediation approach, 201
 - literature review, 198
 - Malmquist index summary of
 - annual means, time series results, 201–208
 - methodology, 198–200
 - results and discussion, 200
 - service oriented production approach, 202
- Indian economy, 161, 178
 - formal and informal credit market linkages, 162–165
 - fragmented duopoly credit market and implications, 165–169
 - rural credit policy approaches
 - toward establishing linkages, 169–172
- Indian monetary policy (*see* Monetary policy in India)
- Individual capital assessment, 367
- Inflation, 121, 212, 233, 292
 - in developing Asia, 121–127
 - gap over time, 24
 - inflation–output dynamics, 26–28
 - multiple regression analysis, 356–357
 - premium, 66
 - threshold level of, 218
- Inflation rate (Inf), 91, 122, 268
 - dynamics and change in policy regime, 30
- Inflation targeting (IT), 92, 212, 291
- Inflation targeting monetary policy (*see also* Monetary policy in India)
 - base line model, 19–26
 - empirical analysis, 28–31
 - framework, 17
 - inflation rate dynamics and change in policy regime, 30
 - inflation–output dynamics, 26–28
 - objective of study, 19
 - review of literature, 18–19
 - supply shock, 26–28
 - unit root and order of integration, 29
- Informal credit market, 161
 - linkage, 162–165
- Informal sector, 161
- Information and telecommunication (ICT), 80
- Information regarding market efficiency, 253
- Instrumental variable panel data estimator, 330
- Insurance (*see also* Credit insurance), 359
 - Errors and Omissions, 369
 - quasi regulatory status of, 361
 - signalling, 359–360
- Insurance regulations
 - in Canada, 366
 - in France, 368
 - in Germany, 366–367
 - in Italy, 365
 - in Japan, 364
 - in UK, 367
 - in US, 369
- Inter-regional differences in credit flow, 318–319
- Interest rates, 66, 89, 243
 - on capital markets, 8
 - channel, 324
- Interest subvention scheme for SHGs, 311
- Intermediation approach, 199
- International community, 33

- International Monetary Fund (IMF), 110, 121
- International tourism, 134–135
- Investments and GDP (INV/GDP), 38–39
- Investors, low interest rates affecting, 68–70
- Ireland crisis (2008–2011), 112
- Italy
 - financial and credit regulatory landscape in, 364–365
 - insurance regulations and credit insurance landscape in, 365
 - post-GFC 2008 scenario in, 365
- Jakarta Commodity index, 4, 8
- Jan Dhan Yojna, 224
- Japan
 - financial and credit regulatory landscape in, 363–364
 - insurance regulations and credit insurance landscape in, 364
 - post-GFC 2008 scenario in, 364
- Jarque-Bera test, 179
- Johansen and Juselius test statistics, 246
- Johansen cointegration test, 153, 179, 247, 316
- Kiosk banking technology, 172
- Lagged inflation rate, 30
- Lagrange multiplier test (LM test), 255
- Lax lending standards, 112
- Least square *t*-statistics, 79
- “Less cash” concept, 294
- Levin, Lin, and Chu panel unit root tests (LLC panel unit root tests), 125
- Liability-asset ratio (LAR), 291, 295
- Liberalization, 149
- Linear models, 76
- Linear regression, 312
- Linearity of unit root tests, 82
- Liquidity, 276
 - management, 291, 340
 - shock, 93
- Liquidity adjustment facility (LAF), 291, 315
- Liquidity ratio (LR), 51
- LnIMPART variable, 257
- LnLADSTF variable, 256
- LnLLPE variable, 256
- LnLLPNIR variable, 257
- LnLLRGL variable, 256
- LnLLRIL variable, 257
- LnLR variable, 256
- LnNCONIBLLP variable, 257, 259
- LnNIM variable, 256
- LnNLTDDB variable, 256
- LnOIAA variable, 256
- LnREP variable, 257
- LnROA variable, 257
- LnROE variable, 257
- Long-term borrowing to total assets (LTDEBT), 327
- Long-term debt, 331
- Long-term risk-free interest rates in India, 67
 - affecting bank depositors and investors, 68–70
 - downfall of interest rates, 67
 - reasons for, 67–68
- Long-term term debt ratio, 333
- Low interest rates, 66
 - review of literature, 66
- m1_grw* variable, 234
- m3_grw* variable, 234
- Macroeconomic factors, 276–277
- Macroeconomic stability, 292
- Macroprudential financial supervision, 339
- Malmquist index, 198
 - combined table of production vis-à-vis intermediation approach, 204–207
 - intermediation approach, 203
 - private sector banks, 208

- summary of annual means, time series results, 201
- TECHCH, 202
- Malmquist Productivity Index, 199–200
- Marginal cost of fund-based lending rate (MCLR), 299
 - comparison of different banks, 305
 - evolution and computation, 301–302
 - findings of study, 302
 - limitations of study, 307
 - methodology, 300–301
 - objectives of study, 300
 - paired samples statistics, 309
 - paired *t*-test results, 310
 - rates of HDFC and Axis bank, 304
 - rates of UBI and SBI, 303
 - regression results, 305–307
 - review of literature, 299–300
 - statistical analysis, 303
- Marginal cost of funds, 301
- Marginal standing facility (MSF), 244
- Market
 - driven adverse selection problem, 361
 - economies, 109
 - fragmentation, 165
 - frictions, 76
 - market-based systems, 326
 - market-determined exchange rate system, 219
- Market share dummy (MSDUM), 256
- Market stabilization scheme (MSS), 291
- Marshall–Lerner condition, 147
- Maturity transformation, 277
- Maximum likelihood (ML), 79
- McKinnon one-sided *p*-value, 317
- Mean paired *t*-test, 305
- Mean reverting processes, 75
- Media, 137, 141
 - news, 137
- Medical tourism, 133
 - classification results, 145
 - descriptive statistics of explanatory variables, 137
- industry, 134
- literature review, 134–135
- managerial implications, 142
- methodology, 135
- results, 137–141
- sampling, 135–137
- standardized canonical discriminant function coefficients, 145
- study area, 135
- Medicare, 213
- Microeconomic model, 326
- Microfinance, 171
- Microfinance institutions (MFIs), 166, 311
- “Minimal” model, 165
- Minimum Capital Test, 366
- Mitigating problems of
 - demonetization, 294–295
- Moderately credit rationing, 167
- Modigliani–Miller proposition (MM proposition), 323
- Monetary authority, 352
- Monetary growth, 243
- Monetary liquidity, 276
- Monetary management, 341
- Monetary policy (*see also* Inflation targeting monetary policy), 3–4, 48, 89, 91, 112, 164, 211–212, 241, 265, 289, 292, 337, 349
 - analysis results, 10–12
 - application on E7 economies, 9–10
 - changes in, 47
 - changing role of bank rate, 269
 - co-integration test, 270–271
 - components of crisis, 112–114
 - corrective measures, 114
 - data of study, 350
 - data source, 268
 - in developing nations like India, 350
 - effect on Nigerian stock market returns, 50
 - effects on capital markets, 4
 - empirical results and findings, 343–345

- fragmented duopoly credit market and implications on, 165–169
- frequency of changes in monetary instruments, 348
- in global environment, 338–339
- Granger causality test, 269, 272
- IMF, 110
- Indian experience, 339–341
- instruments, 351–354
- key monetary indicators, 353
- literature review, 4–9, 266–267
- literature survey, 338
- methodology, 268
- movements in bank rate, 270–271
- nexus between money supply growth and inflation, 341–342
- objective, 337–338, 350
- recommendations and measures, 115
- results, 269
- on stock market, 8
- tools, 147
- transmission mechanism, 324–326
- trends of global economic crisis, 111–112
- in 21st Century's World, 109
- unit roots test results, 272
- Monetary Policy Framework Agreement (MPFA), 290–291, 293
- Monetary policy in India (*see also* Inflation targeting monetary policy), 212–213, 244, 290, 291–293, 311, 354–357
 - basic analysis, 330–331
 - breakdown of sample firms by ownership group and legal form, 336
 - challenges in recent times, 294–295
 - co-integration results, 249
 - data sources, 327
 - descriptive statistics, 336
 - econometric methodology, 245–246
 - economic crisis, 289–290
 - empirical analysis, 295–296
 - empirical investigation, data, and methodology, 244–245
 - enunciation of objectives, 218
 - estimated equation results, 298
 - estimation results, 331–333
 - exchange rate stability, 219
 - financial stability, 219
 - indicator, 331
 - after liberalization to present year, 350–351
 - literature survey, 212–213, 290–291
 - methodology, 329–330
 - modified impossible trinity, 241–242
 - objective of study and methodology, 291
 - operating framework evolution, 213–215
 - policy implications, 333
 - reforms in monetary policy, 211–212
 - results, 246–248, 298
 - review of selected literature, 242–244
 - role, 265–266, 339–341
 - threshold level of inflation and policy of inflation targeting, 218
 - transmission mechanism, 218–219, 324–326
 - trends in, 215–217
 - variables in study, 327–329
- Monetary policy rate (MPR), 50, 52
- marginal increase in, 53
- variance decomposition analysis of changes in, 54
- Monetary system, 109
- Monetary targeting, 92
- Monetary transmission, 65, 267
- Money
 - prices, 110
 - stock, 96
- Money supply (MS), 92, 104, 124, 243, 268, 342
 - equation, 97
 - growth and inflation, 341–342
- Moneylenders, 161, 171
- Monopoly, 165
- MSCI Emerging Markets Index, 277
- MSCI World, 277

- Multidimension credit channels, 161
- Mundell–Flemming Model, 294
- Myers–Majluf proposition, 323

- Narasimham Committee Report–II, 198
- Narrow credit channel (*see also* Bank-lending channel)
- Narrow credit view (*see* Bank-lending channel)
- Narrow money supply, 229
- National Bureau of Statistics (NBS), 91
 - Annual Abstract of Statistics, 93
- National Rural Livelihood Mission (NRLM), 311
- Negative interest rates, 65–66
 - and bank customers, 71
 - future trends, 71–72
 - review of literature, 66
- Negative rates, 70
 - countries, 70–71
 - and economic growth, 71
 - rationale behind negative interest rates, 70
 - relevance, 70
- Neoliberal coherence, 110
- Neostructuralist models, 164–165
- Net interest margin (NIM), 259
- New Keynesian model with spending equation, 51
- Nigeria
 - data and methodology, 51–52
 - decomposition of fluctuations, 53
 - literature review, 48–51
 - model specification, 51–52
 - monetary policy and assets prices in, 47
 - stock market, 76
- Nigerian Stock Exchange, 52
- “Nixon Shock”, 109
- No credit rationing, 168
- Noise traders, 76
- Non-Bank Financial Corporation (NBFC), 351, 355
- Non-debt tax shield, 329
- Non-financial firm-level data, 324
- Non-financial manufacturing firms, 324
- “Non-fundamental” factors, 48
- Non-institutional credit agency, 171
- Non-linear relationship, 148–149
- Non-parametric slack-based measure model, 199
- Non-performing asset (NPA), 313
- Non-performing loans (NPL), 294
- Nonlinear unit root test estimates, 78–79
- Nonlinearity
 - in stock prices, 76
 - test, 81
- Nonstationary time series, 78
- North Atlantic Financial Crisis, 290
- Norwegian banking system, 198
- Null hypothesis, 137, 139, 184

- Official Development Assistance (ODA), 34
 - cross-country data analysis, 36
 - economic policy, 37
 - effectiveness of development aid, 35
 - empirical analysis and results, 37–43
 - ODA/GDP variable, 41
 - OLS estimates model, 40–41
- Oligopoly, 165
- Open capital account, 341
- Open economy IS–LM framework, 224
- Open market operations (OMO), 90, 291, 340
- Operating approach, 199
- Operating costs, 301
- Optimal lag length, 52
- Optimal monetary policy instruments for Nigeria, 89, 91
 - data and methodology, 93–99
 - error correction estimates of short-run and long-run ARDL model, 101
 - flexible price level targeting, 92
 - results, 99–105
 - short-run parameters, 102
- Ordinary least square method (OLS method), 40–41, 50, 255, 267

- Organisation for Economic Cooperation and Development countries, 123
- “Originate and distribute” model, 112
- Output-gap inflation rate, 30
- Own Funds Directive, 366
- Ownership dummy variable, 333
- Ownership group and legal form, breakdown of sample firms by, 336
- Paired sample *t*-test, 303
- Pan-Asian supply chain, 121
- Panchenkocasulity analysis, 8
- Panel ADF-Statistic test, 9
- Panel PP-Statistic test, 9
- Panel regression model, 255, 257–258
- Panel rho-Statistic test, 9
- Panel unit root tests, 126
- Panel *v*-Statistic test, 9
- Partial Adjustment Model, 255
- Pedroni panel cointegration test, 4, 9, 11
- People’s Bank of China (PBOC), 265
- Phase diagram, 21
- Phillip–Peron test (P–P test), 99, 177, 184, 268, 342–343
- Policy
 - errors in EMEs, 338
 - of inflation targeting, 218
 - measure, 51
- Policymakers, 48, 161, 266, 338
- Political decision, 141
- Population pressure, 72
- Portugal crises (2010–2014), 112
- Post-crisis period, 196, 213
 - Johansen cointegration, 193
 - post-crisis period closing
 - descriptive statistics, 190
 - pre, crisis, and post period
 - correlation between Sensex and companies’ return, 191
- Post-financial sector reforms period, 197
- Post-GFC 2008 scenario
 - in Canada, 366
 - in France, 368
 - in Germany, 367
 - in Italy, 365
 - in Japan, 364
 - in UK, 367
 - in US, 369
- Power sector, IT sector, 184
- Prais–Winsten regression, 305
- Pre period, 194
 - closing descriptive statistics, 188
 - crisis, and post period correlation
 - between Sensex and companies’ return, 191
 - Johansen cointegration, 193
 - stationarity test result, 192
- Price, 242–243
 - level expectations, 90
 - stability, 49, 89, 212, 219, 241–243
- Prime lending rate (PLR), 301
- “Priority sector lending” scheme, 311
- “Priority Sector” lending policy, 313
- Private sector
 - banks, 302
 - MFIs, 314
- Production oriented approach, 199
- Productive incoherence, 110
- Profit approach, 199
- Prowess* database, 327
- Public private partnership model, 172
- Public sector banks, 299–300
- Public stimulus packages, 114
- Punishment of Organized Crime and Control of Criminal Proceeds (APOCCCP), 364
- Pure efficiency change (PECH), 200–201, 208
- Quadratic loss function, 94
- Qualitative tools, 351–352
- Quantitative tools, 351–352
- Quantity Theory of Money, 214, 242
- Quasi regulatory status of insurance, 361
- Random effect models, 125–126
- Random sampling process, 135

- Reaction function of monetary policy, 52
- Real aggregate output, 19
- Real effective exchange rate (*REER*), 245
- Real estate sector of US market, 176
- Real GDP, 28
- Real negative deposit rates, 66
- Real-time premium, 66
- Regional dummies, 39, 43
- Regional rural banks (RRBs), 313
- Regression
 - analysis, 35, 267, 319
 - equation, 78
 - model, 315
- Regulations, 359
- Relationship lending channel, 324–325
- Repo rate, 356
- Reserve Bank of India (RBI) 65, 162, 197, 225, 241–242, 255, 265, 291, 299, 311, 339, 341, 352, 357
 - authorization, 68
 - co-integration test results, 317–318
 - inter-regional differences in credit flow to SHGs, 318–319
 - literature review, 313–314
 - monetary policy and credit dissemination to SHG, 315
 - objectives and methodology, 312–313
 - RBI Act, 293
 - SHG, 311–312
 - structural breaks in credit flow to SHGs, 315
 - unit root test results, 316
- Reserve requirement, 90
- Residential mortgage underwriting policy (RMUP), 366
- Return on equity (ROE), 256
- Reverse repo rate, 356
- Revised Banking Directive, 366
- Revised Capital Adequacy Directive, 366
- Risk management strategies, 134–135
- Royal Bank of Scotland Group, 367
- Rupee/US dollar exchange rate, 341
- Rural credit policy approaches toward establishing linkages in India, 169–172
- Russian Federation, crisis in, 111
- S&P BSE Sensex, 177
- Savings bank (SB), 68
- Scale efficiency change (SECH), 200
- Schwarz information criterion, 52
- Schwarz's Bayesian information criterion, 280
- Self-help group (SHG), 166, 311–312
 - monetary policy and credit dissemination to, 315–319
 - SHG-Bank Linkage Program, 312, 314–315
 - structural breaks in credit flow to, 315
- Sensex movement, 179–180
- Serial correlation LM test, 157
- Service oriented production approach, 199, 202
 - vis-à-vis financial intermediation approach, 197
- Service quality, 300
- Sex change procedure, 135
- Short sales, 76
- Short-term borrowing to total assets (STDEBT), 327
- Short-term debt ratio, 331, 333
- Silver standard, 109
- Smart card with chip, 172*n*6
- Social welfare programs, 213
- Spain crisis (2008–2015), 111
- Speculative bubbles in asset prices, 48
- Spill-over excess demand, 161, 166–167
- Stability analysis for VAR system, 229
- Standardized canonical discriminant function coefficients, 145
- STATA (statistical software package), 301
- State Bank of India, 302
- Stationarity of variables, 226

- Stationary time series, 78, 226
- Statistical analysis, 303
- Statutory liquidity ratio (SLR), 291, 356
- Stem cell therapy, 135
- Stepwise forward regression, 41–42
- Sterilization, 290
- Stock market, 178
 - monetary policies on, 8
 - transaction, 152–153
- Stock market efficiency, 75
 - data and methodology, 77–79
 - descriptive statistics, 80
 - linearity and univariate nonlinear unit root tests, 82
 - literature review, 76–77
 - policy implication, 84
- Stock of global credit, 280
- Stock prices, 47
 - nonlinearity in, 76
- Strata package, 255
- Stressed asset management, 294
- Structural breaks in credit flow to SHGs, 315
- Structural shift, 312–313
- Structural vector autoregressive model (SVAR model), 51–52, 227, 266–267
 - analysis, 8
 - estimates, 58–59
- Subprime crisis, 176
 - originating in United States, 175
- Supply
 - of money stock, 89
 - shock, 26–28
- Supply Leading Approach, 148
- Swachh Bharat Abhiyan, 223
- Target inflation rate, 248
- Taylor rule, 214, 218, 243–248, 289
- Technological change (TECHCH), 200, 202
- Tenor premium, 301
- Theories of monetary policies, 214–215
- Threshold inflation, 242
- Time inconsistency, 214
- Time path of inflation rate, 22
- Time-invariant error term, 330
- Time-varying correlation, 50
- Toda-Yamamoto analysis, 8
- Tornquist Index, 199–200
- Total borrowing to total assets (DEBT), 327
- Total factor productivity growth, 198
- Trade, 147
 - finance, 362
 - statistic, 317
- Trade openness (TRO), 123, 147, 151
 - data, 150
 - and growth, 149
 - Johansen cointegration test results, 153
 - methodology, 150–152
 - objective, 149
 - results and discussion, 152
 - unit roots test results, 152
 - VAR for USA and China, 154
 - VAR granger causality test results for USA and China, 155–156
 - VAR stability test for countries, 160
- Transaction cost, 76
- Transformation of equations, 94
- Transmission mechanism, 218–219
- Treasury bill rate (TBR), 50
- Trilemma of monetary policy, 341
- Two-stage least squares method (2SLS method), 50, 330
- Two-tailed Pearson's correlation tests, 303
- unemp* variable, 233
- Union Bank, 68
- Unit labor cost, 243
- Unit root
 - for panel data, 125
 - property of DGP, 77
 - test, 79
- United Kingdom (UK)
 - financial and credit regulatory landscape in, 367

- insurance regulations and credit insurance landscape in, 367
 - post-GFC 2008 scenario in, 367
- United Nations Conference on Trade and Development (UNCTAD), 33
- United State (US)
 - crisis (2009–2010) , 110–111
 - cross-border credit, 280
 - Federal Reserve, 109, 113
 - financial and credit regulatory landscape in, 368–369
 - insurance regulations and credit insurance landscape in, 369
 - monetary policy, 289
 - post-GFC 2008 scenario in, 369
 - stock market, 177
- Univariate nonlinear unit root tests, 82
- Value-added approach, 199
- Variable return to scale (VRS), 200–201
- Variance decomposition, 60–63
 - analysis of changes in MPR, 54
- Vector autoregression model (VAR model), 150, 280–281, 326
 - analysis, 48, 225–226
 - granger causality test results for USA and China, 155–156
 - stability analysis for, 229
 - stability test for countries, 160 for USA and China, 154
- Vector error correction model (VECM), 150–151
- Vertical interlinkage, 161
- Viz. card technology, 172
- Volatility, 80
- Wald statistics, 78
- Wald tests, 280
- “Walrasian equilibrium” interest rate, 168
- Wealth effects, 51
- Wellness Tourism, 133
- West Bengal CE Bill (2017), 134
- World Development Indicator (WDI), 124
- World Input-Output Database (WIOD), 123
- WTO reform, 115