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## **1. An Empirical Analysis of Monetary Transmission in India: SVAR Approach**

*by Amaresh Samantaraya*

Vol. 2, Issue : 1, July, 2009, Page :01-19

### ***Abstract***

*In India, reform initiatives since early 1990s in terms of deregulation of interest rates in the banking sector, introduction of market based government borrowing, switching over to flexible exchange rate regime and development of capital market have created a conducive atmosphere for interplay of market forces and consequently, interest rate channel of monetary transmission mechanism has been gaining increasing importance. The present study attempted to empirically examine the effectiveness of interest rate channel in India in the post-reform period employing technique of Structural Vector Auto-Regression (SVAR). It has examined the process and pattern of transmission of monetary shocks to output and prices based on innovation accounting derived from SVAR models. The results from the estimated models established influence of monetary shocks on interest rates and prices, and broadly provided encouraging evidence of activation of interest rate channel in monetary transmission. The study emphasized the relevance of using 'call money rate' as a 'policy reference rate' in the multiple-indicator approach followed by the Reserve Bank of India.*

## **2. Trade-Poverty Nexus in Bangladesh**

*by Mohammad A. Razzaque*

Vol. 2, Issue : 1, July, 2009, Page : 20-54

### ***Abstract***

*Poverty alleviation has been the most important policy objective in Bangladesh and almost all development initiatives in the country either directly or indirectly aspire to make contributions to this endeavour. From this perspective, the relationship between trade, growth and poverty v has an important relevance to the country. In its pursuit for development, Bangladesh has moved away from an inward-looking to an outer-oriented development, strategy. These reform measures led to significant decline in quantitative restrictions, opening up of trade in many restricted items, rationalization and diminution of import tariffs, and liberalization of foreign exchange regime. How trade liberalization has influenced economic growth and poverty in Bangladesh has been a subject matter of great interest to researchers, academicians and policy makers. The main objective of this paper is to review the evidence on trade poverty nexus for Bangladesh. The evidence reviewed shows a higher overall economic growth 'to be associated with the time period beginning from the 1990s, when most of the reforms were carried out, but the link between trade liberalization and superior growth performance could not be supported statistically. It is found that the Trade-poverty interactions are complicated, and policies to influence them need to be carefully designed, delicately managed, intensively monitored, and methodically evaluated. There is a need for undertaking serious research to facilitate informed policy discourse involving all the aforementioned aspects.*

### **3. Shadow Prices in Indian Commercial Banking**

*by Dr C.S.Reddy, Mr. T.Subramanyam and Dr.P.Balasiddamuni*

Vol. 2, Issue : 1, July, 2009, Page :55-68

#### ***Abstract***

*There is worldwide recognition that Indian Commercial Banking Sector is a strong and stable industry. Non-performing assets as an undesirable output intercepts the performance of public, private and foreign sector banks. Many commercial banks of the Indian banking sector have to diversify into noninterest income generating activities for boosting up their profit margins. In several of the public, private and foreign investments are found to have been placed unfavourably from profitability point of view.*

### **4. Market Microstructure and Market Quality: A Review**

*by Rajesh Acharya H and Bandi Kamaiah*

Vol. 2, Issue : 1, July, 2009, Page : 69-98

#### ***Abstract***

*Market microstructure research uses specific trading mechanisms to analyze and model how price setting rules evolve. This paper reviews the theoretical and empirical literature on market microstructure relating to: first, speed of adjustment, including how security price adjusts to the arrival of information, second, liquidity, including bid- ask spreads, and third, transaction cost studies with a framework other than bid- ask spreads. The study has found lack of consensus in the literature regarding outcome of certain events in different markets. There are also less number of studies on emerging market microstructure.*

### **5. Corporate Social Responsibility Concerns and Corporate Performance: Some Evidence for India**

*by N.M.Panda and A.N.Shankar*

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#### ***Abstract***

*The debate on the linkage between corporate social responsibility performance and financial performance developed in the western world has raised a dust of controversy among the researchers in the field. While some of them have empirically observed positive relationship, some others have found either negative or no relationship between the two vital performances of a corporate firm. In order to resolve such inconclusive results the present study based on a sample of forty companies drawn from BS- 1000(2006) provides the Indian evidence of the existence of some positive association between corporate social and financial performance. To provide this evidence, the investigation concentrates on ascertaining the validity of a widely stated view that a moderate to strong association exists between the investment value of a company's common shares and its social performance. This has been accomplished by testing for associations between three major economic and financial indicators of investment value (profitability, market performance indicators like MPS, EPS, P/E ratio and risk measures both total and systematic risk) and corporate social performance. Some statistically significant associations have been found to exist. While generalization of these results will require further research, the findings reported are consistent with the widely held perceptions.*