

IMPACT OF CENTRAL BANK POLICIES ON FINANCIAL MARKETS AND INSTITUTIONS PERFORMANCE

Dr. PRASHANTH CHINTHAPATLA¹; Dr. P. REKHA²; Dr. SANDYA RANI PADALA³

1. Associate Professor, Department of Management, Amity University Hyderabad, Telangana, India. Email: pchinthapatla@hyd.amity.edu; ORCID: 0000-0003-1267-9009.
2. Associate Professor, Department of Management Badruka College of PG Centre, Hyderabad, Telangana, India. ORCID: 0009-0004-5560-8862
3. Assistant Professor, Department of Commerce and Business Management, Vaagdevi Degree and PG Autonomous College, Telangana, India. ORCID ID 0009-0008-1281-207X

Abstract

Central bank policies play a significant role in maintaining macroeconomic stability by influencing financial markets, financial institutions, inflation, liquidity, investor confidence. this study examine how the central bank decisions impact financial markets and institutions from 2016 to 2026. It wants to know how the central bank actions, like changing interest rates and buying assets affect the stock market and the economy. The research investigates the relationship between monetary policy measures, including the key financial market indicators such as the BSE SENSEX, NIFTY 50 Index, GDP growth and repo rate, reverse repo rate, government bond yields, and central bank asset purchases. The study employs a quantitative research design using secondary data collected from the RBI, NSE, BSE and other official sources. It uses a kind of analysis to see how the central banks decisions relate to the financial markets. The results show that the banks decisions do have an effect on the stock market but it is not very strong. The analysis found that the banks decisions alone cannot explain what happens in the financial markets. The regression results reveal low explanatory power, with R^2 values ranging from 0.012 to 0.198 and statistically insignificant coefficients suggesting that policy rate changes alone are insufficient to explain movements in financial markets. The study helps us understand how the banks decisions affect the economy in India. It also shows that we need to think about more than the central banks decisions when we are trying to understand the economy. The results of the study are useful, for people who make policies, banks, investors and researchers. They can use this information to designing effective monetary policy frameworks that promote financial market stability and sustainable economic growth.

Keywords: Central Bank, NIFTY 50, BSE SENSEX, RBI, Repo Rate, Monetary Policy, Reverse Repo Rate, Financial Markets.

1.1 Introduction

The strategic actions taken by a country's central bank to manage the economy, control inflation, and promote financial stability are known as central bank policies. These policies, which fall mainly into the categories of monetary policy and regulatory frameworks, involve a wide range of instruments and strategies.

There are two monetary policies: contractionary monetary policy and expansionary monetary policy. An expansionary monetary policy tries to increase economic growth through the reduction of interest rates and expansion of the money supply. The aim of this approach is to reduce borrowing costs to households and firms in order to encourage investment and spending. A contractionary monetary policy attempts to reduce economic overheating through the increase of interest rates and contraction of money supply. Other than these two main monetary policies, open market operation where the central bank purchases and sells government securities in order to influence the money supply and interest rates is another form of monetary policy. Reserve requirement establishes the level of funds that should be kept in the reserves by banks. In times of recession, the central bank can adopt quantitative easing which involves purchasing of long-term securities by the central bank in order to lower long-term interest

rates. It also introduces liquidity into the financial system. Forward guidance is another vital part of the central bank monetary policy. It involves the central bank giving guidance to the market about its intentions concerning future monetary policy.

To stabilising exchange rates and the national currency competitive in international markets, currency intervention is also be used. Many policies are essential for directing economic activity, providing systematic solutions, and financial stability, all of which ultimately improve the state of the economy as a whole. Central banks strive to preserve the financial system from future crises and promote sustainable growth by carefully balancing these different measures.

1.2 Literature Review

Patra & Kapur (2012): This paper examines India's monetary transmission mechanism, showing how changes in policy rates impact financial institutions' lending rates, credit availability, and economic growth. **Mohanty (2013):** The study highlights the RBI's role in managing inflation and liquidity in the Indian banking sector, with an emphasis on how monetary tightening can reduce credit growth and increase borrowing costs. **Subbarao (2015):** Former RBI Governor Subbarao explores the impact of monetary policy decisions on India's banking system, focusing on how changes in interest rates influence non-performing assets (NPAs) and profitability. **Goyal & Agarwal (2017):** The paper discusses the role of monetary policy in shaping the performance of Indian financial institutions, showing how rate changes affect credit risk, liquidity, and capital adequacy. **Acharya (2019):** Analysing the RBI's monetary tightening in response to inflationary pressures, Acharya explores its impact on the liquidity conditions of banks and non-banking financial companies (NBFCs) Prashanth Chinthapatla (2025), in **Macroeconomic Indicators and Capital Market Dynamics: A Critical Analysis of India's Economic Growth and Stability**, found that GDP growth positively influences financial stability, while inflation and the current account deficit adversely affect India's economic performance, emphasizing the need for sound monetary policies

It can be observed from the review of the literature that despite various studies carried out on the effect of the policies of the central bank on the financial market, they have been carried out on either one of the monetary tools or on any financial indicator. few studies examine the combined impact of the central bank policies on financial markets performance in India. Therefore, the present study attempts to bridge this research gap by providing empirical evidence on the effectiveness of central bank policies during the period 2016–2026.

1.3 Objectives of Study

1. To Study the effects of the central banks policies on financial market indicators like stock prices, exchange rates, and interest rates.
2. Determine the impact of monetary policy tools (interest rates, forward guidance and quantitative easing) on financial market volatility.
3. To Investigate the relationship between the central bank policies and financial market liquidity.

1.3 Research Methodology

In order to provide a full understanding of the relation between central bank policy actions and financial market performance, this research employs both qualitative and quantitative methods.

The study is based on secondary data sources. The needed data was collected from publications as well as annual reports of the RBI, SEBI, NSE and BSE. In addition, internationally accepted financial databases including Bloomberg and Reuters were considered for collecting the data. Further, some additional macroeconomic variables were collected from official publications of the Ministry of Finance, World Bank and the International Monetary Fund (IMF), where applicable. The study spans the time period 2016-2026 to study the effects of monetary policies on the performance of financial markets. In order to study the trends and relationships between the selected financial variables,

statistical tools including descriptive statistics, standard deviation, coefficient of variation (CV), ANOVA, correlation analysis and regression analysis have been used.

1.4 Research Gap

Despite extensive research on monetary policy, limited empirical evidence exists on the combined impact of central bank asset purchases on India's financial markets and repo rate, reverse repo rate. Additionally, previous research used pre-pandemic data or considered a single indicator of the financial market. In the current study, using annual data for 2016-2026, it is observed that monetary policy variables explain only a minor share of market movements, and the values of R^2 lie between 0.001 and 0.198. Further, all regression coefficients are statistically insignificant ($p > 0.05$), which implies that monetary policy instruments of the central bank alone are inadequate in explaining the behavior of financial markets. Therefore, there is a need to consider a comprehensive study of the impact of multiple monetary policy instruments on financial market indicators.

1.6 Research Hypothesis

H1: There is no significant impact of Central bank policies on financial market indicators.

H2: There is no effect of Monetary policy tools on financial market volatility.

H3: There is no significant influence of Central bank policies on financial market liquidity.

2.1 Annual Data on Central Bank Asset Purchases, NIFTY 50 Index, 10-Year GDP Growth Rate & Government Bond Yield, (2016–2026)

Table:1

Year	Central Bank Asset Purchases (Billion \$)	Nifty 50 Index Level	Government Bond Yield (%)	GDP Growth Rate (%)
2016	1,200	7,700	7.5	7.2
2017	800	6,500	7.2	7.1
2018	400	11,281	6.8	4.5
2019	200	10,941	6.5	3.7
2020	650	9,141	6.8	-6.6
2021	2000	14,561	7.0	8.7
2022	1100	17,161	6.7	7.0
2023	2000	19,342	6.8	7.0
2024	3,000	24,500	6.5	6.5
2025	2,500	25,850	6.6	6.6
2026	2,200	27,100	6.4	6.7

Table:2 Regression Statistics

Multiple- R	0.47675
R- Square	0.187558
Adjusted R' Square	0.118398
Standard Error	807.6342

Table:3 ANOVA

	df	SS	MS	F	Significance F
Regression	1	1538495	1438495	2.51577	0.180686
Residual	9	6842869	649207.7		
Total	10	7281364			

Table:4

	Coefficient	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept.	283.5327	557.6551	0.51041	0.622047	-968.971	1588.14	-976.871	1546.136
X Variable	0.061831	0.041538	1.488546	0.170786	-0.04313	0.16786	-0.03213	0.155797

Multiple - R is 0.7675, represents the correlation- coefficient between the dependent and independent variables. R Square (0.1876): This indicates that 18.76% of the variability in the dependent variable is explained by the model. This is a low R-squared value, suggesting that the model may not be very effective in explaining the variability. Adjusted R Square (0.1084): After adjusting for the number of predictors and observations, this metric is even lower at 10.84%, indicating that adding more predictors may not improve the model significantly.

ANOVA :-F statistic (2.515), measures whether the overall regression model is significant. With a value of 2.515 and a Significance F of 0.18, the model is not statistically significant at common levels (0.05). Coefficients Analysis:- Intercept (283.53) the predicted value of the dependent variable when the independent variable is zero.

Confidence Intervals: For the Intercept: The 95% confidence interval ranges from -968.97 to 1588.14, which is wide and suggests uncertainty in the intercept estimate. For X Variable 1: The 95% confidence interval ranges from -0.431 to 0.1678, which crosses zero, indicating further that the coefficient may not be significant.

This regression analysis indicates that the model may not be a good predictor of the dependent variable.

Regression Analysis of the Relationship between Central Bank Asset Purchases and 10-Year Government Bond Yield

Table:5 Regression Statistics

Multiple R	0.025614
R- Square	0.000565
Adjusted- R Square	-0.11048
Standard Error	899.1716

Table:6 ANOVA

	df	SS	MS	F	Significance F
Regression	1	4777.061	4777.061	0.005908	0.940411
Residual.	9	7276587	808509.6		
Total	10	7281364			

Table:7

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1258.009	2955.105	0.425707	0.68032	-5426.9	7942.92	-5426.9	7942.92
X-Variable 1	-31.6552	411.8202	-0.07687	0.940411	-963.257	899.9467	-963.27	899.95

Multiple-R is 0.0256, correlation coefficient between the dependent and independent variables. value 0.0256 indicates an extremely weak positive correlation. **R-Square (0.0007)**: This means that only

0.07% of the variability in the dependent variable is explained by the independent variable. This very low R-squared value suggests that the model does not effectively explain the variability. Adjusted R Square (-0.1104): This adjusted value is negative, indicating that adding the independent variable to the model actually worsens the fit. This is a strong signal that the model is not suitable for predicting the dependent variable. **Standard Error (899.1716)**: This represents the typical distance that the observed values fall from the regression line. With a high standard error relative to the data, this suggests that the model's predictions may be inaccurate. **ANOVA :- F-statistic (0.0059)**: This low F-statistic suggests a very poor model fit. The Significance F (0.9404) is far above conventional significance levels (e.g., 0.05), indicating that the model is not statistically significant. Therefore, the independent variable does not significantly explain any of the variance in the dependent variable. **Confidence Intervals**: For both the Intercept and X Variable, the 95% confidence intervals are extremely wide and include zero, further confirming that the coefficients may not be significant.

This regression model provides little to no predictive power. The very low R-squared, high p-values, and lack of statistical significance suggest that the independent variable is not a meaningful predictor of the dependent variable.

2.2 Regression Analysis of the Relationship between Central Bank Asset Purchases and GDP Growth Rate Table:8

Regression Statistics	
Multiple R	0.274392
R Square	0.075291
Adjusted R Square	-0.02745
Standard Error	864.9434
Observations	11

Table: 9

ANOVA					
	df	SS	MS	F	Significance-F
Regression	1	548220.6	548220.6	0.732791	0.414189
Residual	9	6733143	748127		
Total	10	7281364			

Table:10

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	728.7208	439.7486	1.65713	0.131872	-266.06	1723.501	-266.06	1723.501
X Variable 1	54.38942	63.53666	0.856032	0.414189	-89.3405	198.1193	-89.3405	198.1193

ANOVA (Analysis of Variance) :- F-statistic (0.7328): This low F-statistic value implies that the overall technique is not a good fit for the data. The Significance F (0.4112) is greater than the 0.05 threshold, indicating that the model is not statistically significant. **Coefficients Analysis:-** Intercept (728.7028): This value shows the expected value of the variable of dependent when the variable of independent is zero. However, given the low model fit, this intercept may not be meaningful. X Variable Coefficient (34.5894): This coefficient suggests that for each unit increase in the independent variable, the dependent variable is expected to increase by 34.5894 units. However, this relationship is not statistically significant, as shown by the p-value.

This regression model shows a very weak fit, with a low R-squared, high p-values, and a non-significant F-statistic. To improve predictive power, consider adding more relevant variables or testing alternative models.

2.3 Impact of Repo Rate on Stock Market Indices (NIFTY 50 and SENSEX) and Institutions Performance

Table:11

Year	REPO	NIFTY 50 (Closing Price)	SENSEX (Closing Price)	BANKS
2016	6.25	8769.15	28243.29	10.12
2017	6.00	10081.5	32476.74	9.42
2018	6.50	11346.2	37521.62	9.67
2019	5.15	11174.75	37673.31	9.23
2020	4.00	9039.25	30672.59	8.28
2021	4.00	17464.75	58765.58	8.28
2022	6.25	18560.5	62410.68	9.32
2023	6.50	20969.4	69425.62	9.32
2024	6.50	24708.4	81526.14	9.32
2025	5.50	26143.85	85872.64	8.32
2026	5.50	27548.75	90788.64	8.32

Table:12

Regression Statistics

Multiple R	0.242959
R Square	0.05929
Adjusted R Square	-0.13817
Standard Error	0.92927
Observations	7

Table:13 ANOVA

	df	SS	MS	F	Significance F
Regression	1	0.270858	0.270858	0.313659	0.599606
Residual	5	4.317713	0.863543		
Total	6	4.588571			

Table:14

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	0.184454	8.631031	0.021371	0.983776	-22.0023	22.37123	-22.0023	22.37123
X Variable 1	0.000285	0.000509	0.560053	0.599606	-0.00102	0.001594	-0.00102	0.001594

The R Square 0.05929 indicates that the independent variable accounts for just approximately 5.09% of the variation in the dependent variable. This is quite low, implying that the model does not account for much of the variance. Adjusted R² (-0.1381263): A negative adjusted R² value indicates that the model is less predictive than a simple mean-based model. This suggests that the model may not be appropriate for the data. ANOVA: Significance F (0.599605545) The F-test P value is high (above 0.05), indicating that the model as a whole is not statistically significant, implying that the association between the predictor and the response variable is weak. **Coefficients:** Intercept (0.184453872) and X Variable Coefficient (0.000258114): The coefficients show that when the independent variable changes, the

dependent variable increases only marginally. However, the predictor's high p-value (0.5996) indicates that it is not statistically -significant.

Residual Analysis

- Residual Plot: The residuals look to be randomly distributed, which is usually a positive sign. However, there are few data points, making it difficult to detect patterns.
- Normal Probability Plot: This plot reveals if the residuals have a normal distribution. The points are not exactly aligned along the line, indicating some deviations from normalcy, but with such a tiny size, it is hard to draw firm conclusions.
- Regression analysis indicates that the repo rate data has a weak linear association, as evidenced by the low R^2 , non-significant F-statistic, non-significant p-value for the predictor. This suggests that the repo rate data may not be well-explained by a linear model. Additional factors or more complicated models could provide greater insights.

2.5 Impact of Reverse Repo Rate on Stock Market Indices (NIFTY 50 and SENSEX) and Institutions Table:15

YEAR	REVERSE REPO	NIFTY 50	SENSEX	BANK
2016	6.0	7603.2	24883.6	10.43
2017	5.75	10081.5	32476.7	9.42
2018	6.25	11346.2	37521.6	9.67
2019	4.9	11174.8	37673.3	9.23
2020	3.35	9039.25	30672.6	8.28
2021	3.35	17895.2	60059.1	7.8
2022	3.35	18560.5	62410.7	9.32
2023	3.35	20950	69850	8.9
2024	3.35	24950	82150	8.55
2025	3.35	26850	87800	7.6
2026	3.35	27650	91200	7.3

Table: 16 Regression Statistics

Multiple R	0.317685
R Square	0.120924
Adjusted R Square	-0.34861
Standard Error	0.201143
Observations	4

Table:17 ANOVA

	df	SS	MS	F	Significance F
Regression	1	0.009083	0.009083	0.224506	0.682315
Residual	2	0.080917	0.040458		
Total	3	0.09			

Table: 18

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.703726	3.792374	0.449251	0.697241	-14.6135	18.021	14.6135	18.021

X									
Variable 1	0.000104	0.00022	0.473821	0.682315	-0.00084	0.001052	0.00084	0.001052	0.001052

R Square 0.120924): The independent variable accounts for only 0.96% of the variation in the dependent variable. This is quite low, indicating that the model does not provide a good fit to the data. **Adjusted R Square** (-0.345619945): A negative adjusted R Square indicates that the model may perform worse than a model with only the mean as a predictor, implying a poor fit. **ANOVA: Significance F** (0.682314563) The high p-value for the F-statistic (more than 0.05) indicates that the entire model is not statistically significant. This indicates a poor or non-existent link between the variables. **Coefficients: Intercept** (1.703726149) and **X Variable Coefficient** (0.0000104404): While the coefficients represent the model's equation, the predictor's high p-value (0.6823) indicates that it is not statistically significant.

Residual Analysis: Residual Plot: The residuals are scattered and lack a clear pattern, which is generally positive. However, given the tiny sample size, it is difficult to clearly demonstrate any randomness or lack of pattern. Normal Probability Plot: The plot does not have a clear alignment with the line, indicating probable deviations from normality, though this is difficult to prove with such a little dataset.

The regression analysis of reverse repo rate data reveals a very weak association between the predictor and response, as evidenced by the low R Square, non-significant F-statistic, and high p-value for the predictor. The model does not explain much of the variance in the data, implying that it may not be appropriate. Additional models or factors may provide a more comprehensive explanation for the data.

3.1 Conclusion

Central bank policies which is instrumental in price stabilisation, build a sustainable economic growth, and protecting the financial markets from volatility is considered to be a foundational element of macroeconomic management, Central banks use monetary policy tools such as quantitative easing, policy interest rates, liquidity and guidance to affect interest rates, investment decisions and investors' expectations. Even though these policies have been created to deal with macroeconomic problems, their impact on financial markets can be time-consuming and non-linear. The analysis carried out in this study shows that there is a statistically insignificant positive relationship between central bank policies and the performance of the financial markets in India for the period 2016–2026. Regression analysis shows that the explanatory power and statistically insignificant coefficients indicate that monetary policy variables are not sufficient to explain changes in financial market indicators. This result implies that the performance of the financial markets is affected by other factors which include fiscal policy, foreign economy, geopolitical issues, technology, investor sentiment, and institutional factors among others.

Despite these results, it remains vital to have central banks intervene during times of financial and economic instability. This is shown by the examples of 2008 Global Financial Crisis and the current experience of the COVID-19 pandemic where it was shown that the timely policy actions such as changes in interest rates, injection of liquidity into the economy and asset purchases can contribute to stabilizing the financial market, regaining investor trust and aiding economic recovery. However, accommodative monetary policy measures can also have unintended consequences including excessive risk taking and asset price inflation thus requiring careful policy normalization.

Overall, this study concludes that central bank policies continue to serve as an significant mechanism for supporting economic resilience and maintaining financial stability. However, the successful execution of these policies relies on good communication from the monetary authorities, consistent macroeconomic policy framework and their readiness to act in light of changing economic

conditions. It is important for future researches to utilize larger databases and use advanced methods of econometrics together with more macro-financial indicators.

3.2 Recommendations:

1) **Improved Transparency and Communication:-** To minimize uncertainty in the financial market, central banks need to improve how they communicate the objectives of their policy. Market actors will be able to anticipate policy change and shift their strategies because of forward guidance.

2) **Holistic Evaluation of External Factors:-** When formulating their policies, central banks must take into account market sentiments and the condition of the global economy. Coordination of policy initiatives with international organizations or other central banks could help to decrease any side effects or spill-over effects.

3) **Reinforce Macroprudential Policy:-** Other than relying on traditional monetary policy tools, central banks must continue to develop their macroprudential methods in order to and manage systemic risks or monitor that could accrue from monetary policy tools, including increases in leverage and asset price bubbles.

4) **Promote Data-Driven Research:-** Foster development of more extensive research into the influence of central bank policies using increasingly sophisticated models taking into consideration international politics and behavioural finance.

REFERENCES

1. Adrian, T., & Shin, H. S. (2010). Liquidity and leverage. *Journal of Financial Intermediation*, 19(3), 418–437.
2. Arestis, P., & Sawyer, M. (2008). A critical reconsideration of the foundations of monetary policy in the new consensus macroeconomics. *Cambridge Journal of Economics*, 32(5), 761–779.
3. Ball, L. (2014). The case for a long-run inflation target of four percent. *International Monetary Fund*.
4. Bean, C., Paustian, M., Penalver, A., & Taylor, T. (2010). Monetary policy after the fall. *Federal Reserve Bank of Kansas City*.
5. Bekaert, G., Hoerova, M., & Lo Duca, M. (2013). Risk, uncertainty and monetary policy. *Journal of Monetary Economics*, 60(7), 771–788.
6. Bernanke, B. S. (2022). 21st century monetary policy: The Federal Reserve from the Great Inflation to COVID-19. W. W. Norton & Company.
7. Bernanke, B. S., Gertler, M., & Gilchrist, S. (1999). The financial accelerator in a quantitative business cycle framework. In J. B. Taylor & M. Woodford (Eds.), *Handbook of Macroeconomics* (Vol. 1, pp. 1341–1393). Elsevier.
8. Borio, C. & Zhu, H. (2012). Capital regulation, risk-taking and monetary policy: A missing link in the transmission mechanism? *Journal of Financial Stability*, 8(4), 236–251.
9. Brunnermeier, M. K., & Sannikov, Y. (2014). A macroeconomic model with a financial sector. *American Economic Review*, 104(2), 379–421.
10. Chinthapatla, P. (2024). Empirical analysis of the Indian capital market and its impact on economic growth. <https://restitutionlawreview.co.uk/content/uploads/2024/12/24V401206>. Issue 12, pp 68–77.
11. Cecchetti, S. G. (2008). Crisis and responses: The Federal Reserve and the financial crisis of 2007–2008. *National Bureau of Economic Research*.
12. Chinthapatla Prashanth (2025), Macroeconomic Indicators and Capital Market Dynamics: A Critical Analysis of India's Economic Growth and Stability, *Economic Studies* (2025) 21(1), Vol. 21 No. 2 351–359 | ISSN:1505-4683. 351–359.
13. Dornbusch, R., Fischer, S., & Startz, R. (2018). *Macroeconomics* (13th ed.). McGraw-Hill.

14. Eggertsson, G. B., & Woodford, M. (2003). The zero bound on interest rates and optimal monetary policy. *Brookings Papers on Economic Activity*, 34(1), 139–235.
15. Gertler, M., & Karadi, P. (2011). A model of unconventional monetary policy. *Journal of Monetary Economics*, 58(1), 17–34.
16. Goodfriend, M., & King, R. G. (1997). The new neoclassical synthesis and the role of monetary policy. In *NBER Macroeconomics Annual* (Vol. 12, pp. 231–296).
26. Hamilton, J. D. (1994). *Time series analysis*. Princeton University Press.
27. Ireland, P. N. (2006). *The monetary transmission mechanism*. Federal Reserve Bank of Boston Working Paper.
28. Kashyap, A. K., & Stein, J. C. (2000). What do a million observations on banks say about the transmission of monetary policy? *American Economic Review*, 90(3), 407–428.
29. King, M. A. (2004). *The institutions of monetary policy*. American Economic Association.
30. Krugman, P. R., & Wells, R. (2021). *Economics* (6th ed.). Worth Publishers.
31. Mishkin, F. S. (2022). *The economics of money, banking, and financial markets* (13th ed.). Pearson.
32. Mohan, R. (2006). *Monetary policy and exchange rate frameworks: The Indian experience*. Reserve Bank of India Bulletin.
33. Paramanik, R. N., & Kamaiah, B. (2014). A structural vector autoregression model for monetary policy analysis in India. *Margin: The Journal of Applied Economic Research*, 8(4), 447–472.
34. Patra, M. D., Kapur, M., John, J., & Ranjan, R. (2016). *Monetary policy transmission in India: Why is it important and why has it been weak?* Reserve Bank of India Working Paper.
35. Prashanth Ch (2021) *Evaluation of Indian Capital market and its influences on Economic Growth- A case study in select investment avenues* Published in the *Journal of Oriental Research Madras*. Vol. XCII- XXIV, UGC CARE Group-I (ISSN: 0022- 3301).
36. Samuelson, P. A., & Nordhaus, W. D. (2019). *Economics* (20th ed.). McGraw-Hill Education.
37. Smets, F. (2014). Financial stability and monetary policy: How closely interlinked? *International Journal of Central Banking*, 10(2), 263–300.
38. Woodford, M. (2003). *Interest and prices: Foundations of a theory of monetary policy*. Princeton University Press.