

**Bachelor's Degree Programme
(BDP)**

**ASSIGNMENT
2020-2021**

**Elective Course in Commerce
ECO – 09: Money, Banking and Financial Institutions**

For July 2020 and January 2021 admission cycle



**School of Management Studies
Indira Gandhi National Open University
Maidan Garhi, New Delhi -110068**



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**Elective Course in Commerce
ECO – 09: Money, Banking and Financial Institutions
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Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment in this Course.

Assignment is given 30% weightage in the final assessment. To be eligible to appear in the Term-end examination, it is compulsory for you to submit the assignment as per the schedule. Before attempting the assignments, you should carefully read the instructions given in the Programme Guide.

This assignment is valid for two admission cycles (**July 2020 and January 2021**). The validity is given below:

1. Those who are enrolled in **July 2020**, it is valid up to **June 2021**.
2. Those who are enrolled in **January 2021**, it is valid up to **December 2021**.

You have to submit the assignment of all the courses to The Coordinator of your Study Centre. For appearing in June Term-End Examination, you must submit assignment to the Coordinator of your study centre latest by **15th March**. Similarly for appearing in December Term-End Examination, you must submit assignments to the Coordinator of your study centre latest by **15th September**.

TUTOR MARKED ASSIGNMENT

COURSE CODE	:	ECO-09
COURSE TITLE	:	Money, Banking and Financial Institutions
ASSIGNMENT CODE	:	ECO-09/TMA/2020-21
COVERAGE	:	ALL BLOCKS

Maximum Marks: 100

Attempt all the questions:

1. Define the concept of inflation and explain inflationary process. Why should inflation be controlled? Explain the various measures to be adopted to control it. (20)

2. What is credit creation? Explain how banks can create credit. What are the limitations of credit creation? (20)

3. What is meant by money market? Discuss various constituents of money market and their functioning in India. (20)

4. Discuss the functions of the World Bank. Does its performance solve the capital scarcity problems of less developed countries? (20)

5. Write short notes on the following: (4X5)
 - (a) Superiority of Keynes' analysis of Money and Prices over the classical analysis
 - (b) Central Bank
 - (c) Non-bank financial intermediary
 - (d) Functions of Commercial Bank