

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

**ASSIGNMENT  
2022-2023**

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

**For July 2022 and January 2023 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  
ASSIGNMENT: 2022-2023**

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 2022 and January 2023**). The validity is given below:

1. Those who are enrolled in **July 2022**, it is valid up to **June 2023**.
2. Those who are enrolled in **January 2023**, it is valid up to **December 2023**.

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 **15<sup>th</sup> March**. Similarly for appearing in December Term-End Examination, you must submit assignments to the Coordinator of your study centre latest by **15<sup>th</sup> September**.

**TUTOR MARKED ASSIGNMENT**

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**COURSE CODE** : **ECO-09**  
**COURSE TITLE** : **Money, Banking and Financial Institutions**  
**ASSIGNMENT CODE** : **ECO-09/TMA/2022-23**  
**COVERAGE** : **ALL BLOCKS**

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**Maximum Marks: 100**

**Attempt all the questions:**

1. Discuss the various motives for holding money. Is demand for money a function of the level of income and the rate of interest? (20)
2. What purposes are being served by the International Monetary Fund and the World Bank and its affiliates? (20)
3. Explain clearly the main source of agricultural credit in India. How far the nationalised banks have been able to meet the credit needs of the farmers? (20)
4. What is credit creation? Explain how banks can create credit. What are the limitations of credit creation? (20)
5. **Write short notes on the following:** (4×5)
  - (a) Milton Friedman's Quantity Theory of Money
  - (b) Nationalization of Commercial Banks
  - (c) Control of Credit
  - (d) Unit Trust of India