

**INDIAN FINANCIAL & FISCAL SYSTEM**

Duration: 2 Hours

Total Marks: 80

***Instructions:***

- i. All questions are **compulsory**, however **internal choice** is available.
- ii. Figures to the **right** indicate **maximum** marks to the question/sub-question.
- iii. Draw figures wherever necessary.

**Q1.** Answer any **four** of the following: (4X4=16)

- a. What is financial market?
- b. What is financial exclusion?
- c. What is Regional Rural Bank?
- d. What is reverse repo rate?
- e. What is narrow money?
- f. What is Open Market Operations?

**Q2.** Answer any **four** of the following: (4X4=16)

- a. What is Plan and non plan expenditure?
- b. What is non tax revenue?
- c. What are major head of expenditure for India?
- d. What is primary deficit?
- e. What is balanced budget?
- f. What is fiscal policy?

**Q3. A)** What are the recent developments in Indian Financial system? (12)

**OR**

**B)** Financial system is vital component of economic growth and development, explain. (12)

**Q4. A)** Explain the process of credit creation if an initial deposit is Rs. 25000 and reserve ratio is 20 percent, using five balance sheets of banks. (12)

**OR**

**Q4. B)** Explain the role of recent monetary policy of India. (12)

**Q5. A)** Discuss direct and indirect taxes and its merits and demerits. (12)

**OR**

**Q5. B)** Explain the various classification of public debt and impact of it on the economy. (12)

**Q6. A)** Explain the objectives of the fiscal policy. (12)

**OR**

**Q6. B)** Explain the impact of deficit budget on the economy. (12)

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