

( 6 )

Or

- (b) Discuss the effect of inflation on production and distribution. 11

5. (a) Critically explain the innovation theory of trade cycle. 11

Or

- (b) Discuss the effectiveness of monetary policy and fiscal policy with the help of Keynesian views to control business cycle. 11

6. (a) Examine the role of cooperative banks and rural banks in agricultural and rural development in India. Mention two major problems faced by these banks. 2+9=11

Or

- (b) What are the major functions of RBI? Explain the role of RBI in rural development in India. 5+6=11

( 7 )

7. (a) What is money market? Explain its instruments and functions with special reference to Indian money market. Mention two major drawbacks of Indian money market. 2+7+2=11

Or

- (b) What are the differences between primary and secondary market? Explain their functions. 4+7=11

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