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Q54

In the context of the Indian economy, non-financial debt includes which of the following? 1. Housing loans owed by households 2. Amounts outstanding on credit cards 3. Treasury bills Select the correct answer using the code given below: (a) 1 only (b) 1 and 2 only (c) 3 only (d) 1, 2 and 3 Official key: D.

UPSC Civil Services Prelims 2020 · General Studies · 2 marks · Economy

Indian economy, budget, schemes - Prelims GS Paper I.

Explanation

(a)

1 only. Credit-card balances and T-bills are also non-financial-sector or general debt as keyed.

(b)

1 and 2 only. T-bills are government (non-financial) debt.

(c)

3 only. Under-counts households.

(d) Official key

All three. Household housing loans, credit-card dues, and Treasury bills - non-financial debt in the Indian-economy framing of this item.

Summary

Official key is (d) 1, 2 and 3. Non-financial debt is owed by households, firms and the government - not banks. Housing loans, credit-card dues and T-bills all sit in that stock.

Related possible facts

These can be asked in a future Prelims paper.

Non-financial debt
Household + corporate + general government.

T-bill
Short-term government paper.