

2020/TDC/ODD/SEM/
ECOH-302/366

(2)

TDC Odd Semester Exam., 2020
held in July, 2021

ECONOMICS
(Honours)

(3rd Semester)

Course No. : ECOH-302

(Public Finance)

Full Marks : 50
Pass Marks : 17

Time : 2 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, selecting **one** from each Unit

UNIT—I

1. (a) What is public finance? Mention the scope of public finance. 2+2=4
- (b) Explain the 'principle of maximum social advantage' of State policy as given by Hugh Dalton. 6

10-21/720

(Turn Over)

2. (a) Distinguish between public goods and private goods. 4
- (b) What is externality in public finance? Distinguish between positive and negative externalities with example. 2+4=6

UNIT—II

3. (a) Discuss the various sources of public revenue. 5
- (b) Discuss the effects of taxation on production. 5
4. (a) Trace the causes of growth of public expenditure in modern times. 5
- (b) Explain the effects of public expenditure on distribution and unemployment. 5

UNIT—III

5. (a) What is equity in taxation? 2
- (b) Discuss the benefit principle of taxation. 8

10-21/720

(Continued)

(3)

6. (a) What is public debt? Distinguish between redeemable and irredeemable public debts. 2+3=5
- (b) "External public debt is more burdensome than the internal public debt." Explain the statement. 5

UNIT—IV

7. (a) What is fiscal policy? Mention two objectives of fiscal policy. 2+2=4
- (b) Discuss the role of fiscal policy in developing countries. 6
8. (a) What is the concept of deficit financing? Under what conditions it is essential? 2+3=5
- (b) Is deficit financing always inflationary? Explain. 5

UNIT—V

9. (a) What is budget? What purposes does it serve? 2+2=4
- (b) Discuss the role of budget in a developing economy like India. 6

(4)

10. (a) What are the functions of Finance Commission of India? 4
- (b) Discuss the recommendations put forward by 15th Finance Commission of India. 6
