

2017

(3rd Semester)

ECONOMICS

(Honours)

Paper No. : ECO-302

(**Public Finance and Banking**)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

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

1. What is fiscal policy? Explain the objectives of fiscal policy in a developing country like India. 4+10=14

Or

“Public finance must be based on the principle of Maximum Social Advantage.”
Discuss. 14

2. What is public debt? Discuss the internal and external burden of public debt. 4+10=14

Or

Examine Wagner's Law in the context of increase in public expenditure. Discuss the effects of public expenditure in India. 9+5=14

3. What is indirect tax? Explain the merits and demerits of indirect tax. 4+10=14

Or

Distinguish between the impact and incidence of taxation. Explain the factors influencing incidence of taxation. 4+10=14

4. What do you mean by federal finance? Explain the financial relations between the Centre and States. 3+11=14

Or

What is Government Budgeting? Highlight the important features of the Union Budget of India, 2017-18. 2+12=14

5. Explain the quantitative and qualitative methods of credit control. 14

Or

State various functions of a commercial bank. Briefly explain the process of credit creation by commercial banks and its limitations. 6+8=14
