

DHANAMANJURI UNIVERSITY

BA 5<sup>th</sup> SEMESTER (Old)  
2021  
DECEMBER

ECONOMICS (Hons)

ECO-305  
PUBLIC FINANCE

Full Mark: 100

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

1. Answer the following questions: 5 x 8 = 40
  - a) Write in brief the fiscal functions of a developing economy.
  - b) Explain the principles of budgeting..
  - c) Differentiate between revenue account and capital account.
  - d) Discuss the various canons of taxation
  - e) Explain impact, incidence and shifting of taxes.
  - f) What are the various sources of public borrowings?
  - g) Write a brief note on the Fifteenth Finance Commission of India.
  - h) State the objectives of fiscal policy in a developing economy like India.
2. Discuss the role of public finance as an instrument of economic and social welfare. 12
3. What is performance budgeting? Discuss its objectives and limitations. 2+10=12
4. Define the concept of taxable capacity. Explain the factors which determine taxable capacity of a country. 4+8=12
5. Critically examine Wagner's Law in the context of increase in public expenditure. 12
6. What is fiscal federalism? Examine important issues in fiscal federalism. 2+10=12

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