

Syllabus

Max. Marks : 100

Theory : 90 marks

Internal Assessment : 10 marks

Time : 3 Hours

Unit-I

Introduction to Public Finance: Nature, Scope and its Importance.

Public Expenditure: Canons, Principle of Maximum Social Advantage, Wagner's Law, Wiseman Peacock Hypothesis. Causes for the Recent Growth of Public Expenditure in India.

Taxation : Classification and Canons, Characteristics of a Good Tax System.

Unit-II

Incidence and Impact of Taxation: Demand and Supply Theory.

Taxable Capacity: Absolute and Relative Capacity, Determinants of Taxable Capacity.

Public Debt: Its types and Role, Burden of debt and Methods of its Redemption.

Deficit Financing: Objectives and Limitations.

Unit-III

Pure Theory of International Trade: Classical and Heckscher - Ohlin Theories, The Theory of Reciprocal Demand.

Terms of Trade: Concept and Types

Commercial Policy: Free Trade Vs. Protection, Regional Blocks: ASEAN, SAFTA Problems and prospects. Impact of W.T.O. on Less Developed Countries.

Unit-IV

Balance of Payments: Meaning, Concept and Components of Balance of Payments. Disequilibrium in the Balance of Payments: Causes and Measures to correct the disequilibrium

Exchange Rate: Meaning and its Determination, Fixed Vs. Flexible Rate of Exchange and Purchasing Power Parity Theory.

IMF and IBRD: Objectives, Working and Achievements.