

Total number of printed pages—2

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IX-VIII-VI-B-9

**ECONOMICS**

Second Paper

Full Marks—200

Time: Three hours

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

Answer any five questions.

1. Discuss briefly the place of public finance in Economics. What points of similarities and dissimilarities do you find between public finance and private finance? 20+20=40
2. Distinguish between absolute taxable capacity and relative taxable capacity. What factors determine the taxable capacity of a nation? How would you like to measure the limit of maximum taxable capacity of an underdeveloped nation? 15+15+10=40
3. Explain with the help of suitable diagrams how proportional tax rate schedule differs from progressive tax rate schedule. Do you think indirect taxes are always regressive in character? 25+15=40
4. Critically discuss the effects of public expenditure on production, employment and distribution of national income in an underdeveloped economy. 15+15+10=40

Contd.

5. Explain the methods of repayment of public debt. Which of those methods do you think would be most suitable for debt repayment of India? Give reasons for your answer.

20+20=40

6. What are the causes of low productivity in Indian agriculture? What measures do you suggest to remove them?

25+15=40

7. What do you think should be the role of public sector industries in India under the policy of economic reforms and liberalisation?

40

8. Write short notes on any four of the following:  $10 \times 4 = 40$

(a) Lead Bank scheme in India.

(b) Poverty eradication measures in India.

(c) Tax evasion in India.

(d) Population policy of India.

(e) Pump priming.

(f) India's balance of payments position.

(g) Deficit financing.

(h) Fiscal incentives and disincentives.