

**ST. JOSEPH'S EVENING COLLEGE (AUTONOMOUS)**

**IV SEMESTER B.A. EXAMINATIONS - APRIL 2019**

**FINANCIAL SYSTEM AND PUBLIC ECONOMICS**

**Duration: 2.5 Hours**

**Max. Marks: 70**

**SECTION - A**

**I) Answer any TEN of the following questions. (10x2=20)**

1. Distinguish between money market and capital market.
2. What is a stock market?
3. Mention any two functions of a commercial bank.
4. What is portfolio management?
5. What is cash reserve ratio?
6. What is the role of IRDA in India?
7. What is GST?
8. What is the subject matter of public finance?
9. Mention any three canons of public expenditure.
10. Define deficit financing.
11. Mention the sources of public borrowing.
12. What is impact and incidence of taxation?

**SECTION - B**

**II) Answer any FOUR of the following questions. (4x5=20)**

13. Write a short note on the defects of the Indian money market.
14. Briefly explain the various services provided by commercial banks.
15. Write a short note on the importance of life insurance services.
16. Define a tax. Explain the canons of taxation according to Adam Smith.
17. Briefly explain the causes for an increase in public expenditure in developing countries.
18. Distinguish between monetary policy and fiscal policy.

**SECTION - C**

**III) Answer any TWO of the following questions. (2x15=30)**

19. Explain the functions of commercial bank.
20. Briefly explain various methods of credit control of a central bank.
21. What is public debt? Explain various methods of redemption of public debt.
22. What are the various insurance services provided in India?