

Private finance & Public finance.

Generally the word "finance" is loosely used for both private finance & public finance.

By private finance we mean study of income, debt & expenditure of an individual. Or private company etc.

On the other hand,
Public finance deals with income expenditure & borrowings of the government.

Similarities:-

- ① Same objective
- ② Based on Rationality
- ③ Limited Resources
- ④ Repay loans
- ⑤ Efficient Management

Dissimilarities:-

- ① Determination of expenditure
- ② Differences in credit status
- ③ Right to print currency
- ④ The Law of equi-marginal utility
- ⑤ Nature of Budget
- ⑥ Compulsory character
- ⑦ Coercive method
- ⑧ Secrecy of Budget
- ⑨ Elasticity of finance
- ⑩ Pattern of Expenditure
- ⑪ Time duration
- ⑫ Differences in objective
- ⑬ Effect of Economy.