

(6 pages)

Reg. No. :

Code No. : 22106 E Sub. Code : GMEC 64

B.A. (CBCS) DEGREE EXAMINATION,
APRIL 2020.

Sixth Semester

Economics – Main

PUBLIC FINANCE

(For those who joined in July 2012 – 2015)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Collective goods could be supplied only by
 - (a) Private
 - (b) Household
 - (c) Government
 - (d) Foreign

2. Which one's expenditure is determine the income belongs to
- (a) Individual finance
 - (b) Private finance
 - (c) Public finance
 - (d) Foreign finance
3. The principles of public expenditure relates to
- (a) policy (b) theory
 - (c) cannons (d) law
4. Accounts maintain in India are
- (a) Consolidated fund
 - (b) Public
 - (c) Contingency fund
 - (d) All the above
5. Less tax evade is possible in
- (a) Income tax (b) Direct tax
 - (c) Indirect tax (d) Corporate tax
6. The concentration theory wad advocated by
- (a) Classical (b) Keynesian
 - (c) Cambridge (d) Psysocrates

7. Which one is a special type of tax?
- (a) Income tax
 - (b) Professional tax
 - (c) Capital levy
 - (d) Corporate tax
8. Generally unfunded debt are called
- (a) internal (b) external
 - (c) floating (d) permanent
9. Which article of Indian Constitution provides for the appointment of a finance commission by the President of India?
- (a) 3 (b) 270
 - (c) 280 (d) 289
10. Who advocated only balanced budget?
- (a) Classical (b) Neo-classical
 - (c) Keynesian (d) Neo-Keynesian

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Answer should not exceed 250 words.

11. (a) Describe the subject matter of public finance.

Or

- (b) What are the functions of a modern state?

12. (a) What are the objectives of public expenditure?

Or

- (b) Describe the effects of public expenditure.

13. (a) State the merits and demerits of indirect taxation.

Or

- (b) Describe the nature of shifting and incidence of taxes.

14. (a) How is public debt classified?

Or

- (b) What are the causes for public debt?

15. (a) What are the classification of Budget?

Or

(b) Bring out the difference between programme and performance budget.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Critically examine the principle of maximum social advantage.

Or

(b) Bring out the difference between public finance and private finance.

17. (a) Classify public expenditure.

Or

(b) Explain the cannons of public expenditure.

18. (a) What are the various sources of public revenue?

Or

(b) How to measure and limits of taxable capacity?

19. (a) Discuss the growth and causes for public debt in India.

Or

(b) Examine the methods of debt redemption.

20. (a) Explain about the budgetary procedures in India.

Or

(b) Discuss about the recommendations of last two finance commissions.
