

Code No. : 10402 E Sub. Code : AMEC 52

B.A. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2023.

Fifth Semester

Economics — Core

PUBLIC FINANCE – I

(For those who joined in July 2020 only)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Tests of Maximum social advantage have been suggested by  
(a) Dalton (b) Pigou  
(c) Adamsmith (d) Musgrave
2. Scope of Public Finance included  
(a) Public revenue (b) Public expenditure  
(c) Public debt (d) All of the above

3. Who has classified Public Expenditure on the basis of the amount of return received?  
(a) Nicholson (b) Dalton  
(c) Shirrab (d) Pigou
4. Theory of increasing Public Expenditure was given by  
(a) Dalton (b) Wagner  
(c) Shirrab (d) Bastabil
5. Of the following which one is the non-tax revenue?  
(a) Sales tax (b) Wealth tax  
(c) Grants (d) Indirect tax
6. Which one of the following is a compulsory payment of the Government?  
(a) Tax  
(b) Price  
(c) Fees  
(d) All of the above

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7. \_\_\_\_\_ is one whose percentage remain the same regardless of the size of income.  
(a) Fine (b) Sales tax  
(c) Fee (d) Proportional tax
8. Tax on only one item is known as  
(a) Single tax  
(b) Specific tax  
(c) Income tax  
(d) None of the above
9. If a debt is repayable after a long period is called  
(a) Funded debt  
(b) Unfunded debt  
(c) Redeemable debt  
(d) None of the above
10. Which of the following is the method of debt redemption?  
(a) Repudiation  
(b) Conversion  
(c) Refunding  
(d) All the above

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PART B — (5 × 5 = 25 marks)

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

Each answer should not exceed 250 words.

11. (a) Differentiate between Public goods and Private goods.  

Or

(b) List out the fiscal functions of the Government.
12. (a) Discuss the canons of Public Expenditure.  

Or

(b) Explain the objectives of Public Expenditure.
13. (a) Explain Taylor's classification of Public revenue.  

Or

(b) Write a note on fee.
14. (a) Define GST and discuss its forms.  

Or

(b) Discuss the merits of Direct taxes.

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15. (a) Explain the meaning and sources of Public Debt.

Or

(b) How will you classify Public Debt?

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Elucidate the role of Public Finance in India.

Or

(b) Discuss the Dalton's principle of maximum social advantage.

17. (a) Differentiate Public expenditure from Private expenditure.

Or

(b) What are the reasons for the growth of Public expenditure?

18. (a) What are the sources of revenues of the Government of India?

Or

(b) Explain the significance of Public revenue.

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19. (a) State and explain the qualities of a good tax system.

Or

(b) Explain the merits and demerits of Indirect taxes.

20. (a) Explain the types of Public debt.

Or

(b) What are the methods of redemption of Public debt?

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