

B. A. DEGREE END SEMESTER EXAMINATION MARCH 2018**SEMESTER – 4: ECONOMICS****COURSE: 15U4CRECO6: PUBLIC ECONOMICS**

Common for Regular (2016 Admission) & Supplementary (2015 Admission)

Time: Three Hours

Max. Marks: 75

PART AAnswer **all** questions in one or two sentences. Each question carries **1** mark.

1. Public economics
2. Allocation function
3. Market failure
4. Forfeitures
5. Multiple tax
6. Direct tax
7. Laffer curve
8. Floating debt
9. Horizontal equity
10. Panchayati raj (1 x 10 = 10)

PART BAnswer **any eight** of the following in three or four sentences. Each question carries **2** marks.

11. Give any two steps taken by government to adjust externalities.
12. State any two limitations of maximum social advantage principle.
13. Write a short note on the Burden of taxation.
14. Define taxable capacity.
15. Explain the concept of public debt.
16. Draw a distinction between productive and unproductive debt.
17. Give any two internal sources of public debt.
18. Review any one principle of federal finance.
19. How horizontal and vertical imbalance can be removed?
20. State the concept of tax shifting. (2 x 8 = 16)

PART CAnswer **any five** of the following in not more than one page. Each question carries **5** marks.

21. Distinguish between public finance and private finance.
22. Explain the role of state in accelerating the rate of economic development.

23. Explain different the canons of Taxation.
24. Analyze the merits of direct taxes.
25. Bring out the different methods of debt repayment.
26. Explain the benefit principle of taxation.
27. Discuss the functions of Finance Commission in India. (5 x 5 = 25)

PART D

Answer **any two** of the following in not exceeding four pages. Each question carries **12** marks.

28. Examine the theory of maximum social advantage with the help of diagram. State its practical problems.
29. Describe the important theories of taxation.
30. Write a long essay on fiscal federalism in India.
31. Discuss the problem of the growth of public expenditure and the reasons for the same. (12 x 2 = 24)
