(FOR THE CANDIDATES ADMITTED

19 UEO 614

DURING THE ACADEMIC YEAR 2019 ONLY)   REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : JULY 2022

B.A. ECONOMICS   **MAXIMUM MARKS: 75**

VI SEMESTER   **TIME : 3 HOURS**

PART - III

PUBLIC FINANCE

SECTION - A   **(10 X 1 = 10 MARKS)**

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.   **(K1)**

1. The principle of Maximum Social Advantage has been suggested by _____.

   a) Pigou   b) Dalton   c) Musgrave   d) Adam Smith

2. In the following which is the characteristic of a tax:_____.

   a) Forced   b) optional   c) Compulsory   d) nationality

3. Salaries and pensions paid by governments are called:_____.

   a) Capital expenditure   b) Development expenditure

   c) Revenue expenditure   d) Plan expenditure

4. The Finance Commission in India is appointed by:_____.

   a) President   b) Prime Minister   c) Chief Minister   d) Finance Minister

5. Redemption of public debt means: _____.

   a) Repayment of debt   b) Repayment of FDI

   c) Additional borrowing   d) Deficit financing

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES   **(K2)**

6. What is public finance?

7. Define a tax.

8.   State the meaning of public expenditure.

9.   What do you mean by federal finance?

10. Give the meaning of public debt.

SECTION – B (5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Assess the scope of public finance .
                    (OR)
    b) Write a short note on Musgrave's View of Maximum Social Advantage.

12. a) List out the main sources of public revenue.
                    (OR)
    b) Differentiate between the direct and indirect taxation.

13. a) Describe any five principles of public expenditure.
                    (OR)
    b) Examine the different ways to control the public expenditure.

14. a) Sketch out the features of a good budget.
                    (OR)
     b) Briefly explain any two principles of the federal finance.

15. a) What are the classifications of public debt?
                    (OR)
    b) Describe the burden of public debt.

SECTION - C (4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS
(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS
(FROM Qn. No : 17 to 21) (K4 (Or) K5)

16. Discuss the difference between public finance and private finance.

17. Critically explain the theory of maximum social advantage in public finance.

18. Discuss the factors affecting the incidence of taxation.

19. Examine the factors responsible for increase in public expenditure.

20. Critically evaluate the recommendations of the Thirteenth Finance Commission.

21. Describe the various methods of redemption of public debt.

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