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Reg. No.....

Name.....

B.A. DEGREE (C.B.C.S.S.) EXAMINATION, MAY 2024

Fourth Semester

B.A. Economics

Core Course—PUBLIC ECONOMICS

(2012–2016 Admissions Mercy Chance)

(For Private Registration Candidates]

Time : Three Hours

Maximum Weight : 25

Instructions : *This question paper contains two sections. Answer Section I questions in the answer-book provided. Section II Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under Section II.*

Section I

PART A (OBJECTIVE TYPE QUESTIONS)

Answer all questions.

Each bunch of four questions carries a weight of 1.

- I. 1 Taxes levied by Union but collected and appropriated by States :
- (a) Stamp duties. (b) Terminal tax.
(c) Excise duties. (d) Land revenue.
- 2 Which one of the following is a source of Internal borrowing ?
- (a) SBI. (b) IMF.
(c) IFC. (d) IBRD.
- 3 Heirless properties that go to the state are called :
- (a) Grants. (b) Gifts.
(c) Escheats. (d) Special assessments.
- 4 Public borrowing is a major instrument of :
- (a) Fiscal policy. (b) Monetary policy.
(c) Commercial policy. (d) Foreign policy.
- II. 5 The following is an example of direct taxes :
- (a) Income tax. (b) Estate duties.
(c) Toll tax. (d) None of these.

Turn over





- 6 A punishment which is imposed for the infringement of law :
- (a) Escheats. (b) Fine.
(c) Toll. (d) Forfeitures.
- 7 Ability to pay principle of public expenditure is associated with :
- (a) Dalton. (b) Bastable.
(c) Adam Smith. (d) Pigou.
- 8 The Laffer curve shows the functional relationship between :
- (a) Price and demand. (b) Price and supply.
(c) Tax rate and tax revenue. (d) Inflation and unemployment.
- III. 9 Who is the main propounder of supply side economics ?
- (a) Adam Smith. (b) Keynes.
(c) Arther Lewis. (d) Arther Laffer.
- 10 From allocation point of view which tax is better :
- (a) Direct taxes. (b) Indirect taxes.
(c) Both direct and indirect. (d) None of these.
- 11 The canon of productivity of taxation is to be laid down by :
- (a) Adam Smith. (b) Prof. Shirras.
(c) Dalton. (d) Bastable.
- 12 Which of the following is not a cannon of public expenditure ?
- (a) Canon of sanction. (b) Canon of economy.
(c) Canon of simplicity. (d) Canon of benefit.
- IV. 13 Repudiation means :
- (a) Collection of tax. (b) Public debt.
(c) Conversion of debt. (d) Refusal of repayment.
- 14 The maximum social advantge theory is associated with :
- (a) Bastable. (b) Dalton.
(c) Hicks. (d) Pigou.
- 15 A debt which is paid without any legal enforcement :
- (a) Compulsory debt. (b) Voluntary debt.
(c) Funded debt. (d) None of these.





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16 "Taxable capacity is the limit of sequzability of country" who stated ?

- (a) Josid stamp. (b) Findlay Shirras.
(c) Dalton. (d) Musgrave.

(4 × 1 = 4)

PART B (SHORT ANSWERS)

*Answer any **five** questions not exceeding 50 words.
Each question carries a weight of 1.*

- 17 Federal finance. 18 Capital levy.
19 Surplus budget. 20 Impact.
21 Social goods. 22 Incidence.
23 Regressive tax. 24 Direct tax.

(5 × 1 = 5)

PART C (SHORT ESSAYS)

*Answer any **four** questions not exceeding 150 words.
Each question carries a weight of 2.*

- 25 Explain the merits and demerits of indirect taxes.
26 Explain the Canons of taxation.
27 What are the effects of taxation ?
28 Explain the reasons for the growth of public expenditure.
29 What are the canons of public expenditure ?
30 What is meant by taxable capacity ? How can it measure ?

(4 × 2 = 8)

PART D (LONG ESSAYS)

*Answer any **two** questions not exceeding 450 words.
Each question carries a weight of 4.*

- 31 Explain the major principles of taxation.
32 Diagramatically explain the principle of maximum social advantage.
33 What is meant by Fiscal federalism ? Explain the criteria for transer of resources between the centre and state governments.

(2 × 4 = 8)

