

SECTION II
[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]
BA DEGREE CBCS PRIVATE EXAMINATION, MARCH 2025
DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN THE
SECTION II OF THE QUESTION PAPER
EC4CRT06 MCQ - PUBLIC ECONOMICS

Answer **all** questions.

All questions carry equal marks

Put a tick mark [✓] against the correct answer

1. Which is the main point on the basis of which public finance can be separated from private finance:
(a) Price policy (b) Borrowings
(c) Secrecy (d) Elasticity in income
2. Expenditure Tax for India was recommended by:
(a) Kaldor (b) Colin Clarke
(c) Adam Smith (d) Adolph Wagnor
3. Public Goods are:
(a) Excludable (b) Non – excludable
(c) Marketable (d) All of these
4. Keynes popularised:
(a) Monetary policy (b) Fiscal Policy
(c) Income policy (d) Price policy
5. Who is the exponent of Law of Increasing State Activities?
(a) Dalton (b) Pigou
(c) Smith (d) Wagner
6. The Finance Commission in India is appointed by:
(a) President (b) Prime Minister
(c) Chief Minister (d) Finance Minister
7. Agricultural Holding Tax was recommended by:
(a) Adam Smith (b) K.N. Raj

- (c) Chelliah (d) Marshall
8. Treasury bills issued by the Government are in the nature of:
(a) Funded debts (b) Floating debts
(c) Irredeemable debts (d) None
9. In India, personal income tax is levied on individuals by:
(a) Central Government (b) State Government
(c) Local bodies (d) None of these
10. The modern state is:
(a) Laissez –faire state (b) Welfare state
(c) Aristocratic state (d) Police state
11. Who is the author of the book “The Theory of Public Finance”?
(a) Dalton (b) R A Musgrave
(c) A.R. Prest (d) Harvey Rosen
12. Principle of sound finance refers to
(a) Maximum Government spending (b) Minimum Government spending
(c) Revenue expenditure balanced at the minimum level (d) Balance between Tax and spending
13. The income of the government through all its sources is called
(a) Public expenditure (b) public revenue
(c) Public finance (d) none of these
14. Central Assistance for State and UT plan is a part of
(a) Plan Expenditure (b) Revenue Expenditure
(c) Non-Plan Expenditure (d) None of the above
15. Shortcoming of public debt is :
(a) Political slavery (b) danger of insolvency
(c) danger to countrys freedom (d) all of the above
16. Taxes which are based on specific qualities or attributes of goods are called
(a) Specific tax (b) Advalorem tax
(c) customs duty (d) Excise duty
17. When the government raises revenue by borrowing from within the country is known as

- (a) Voluntary debt (b) compulsory Debt
(c) internal debt (d) external debt
18. When $E_d = E_s$, the burden is divided between
(a) Buyers (b) Sellers
(c) both a and b (d) Govt.
19. The VAT was first introduced in the year
(a) 2003 (b) 2004
(c) 2005 (d) 2006
20. Which one of the following is a tax base
(a) Income (b) utility
(c) Intelligence (d) None of these

No. of MCQ's Attempted :

Marks Scored :
(To be entered by the examiner)

No. of MCQ's not Attempted :

**ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER
WITH THE MAIN ANSWER BOOK**