

QP CODE

H1114

Enrollment Number:

Name:

B.A DEGREE EXAMINATIONS, MARCH 2026
Fifth Semester
B.A Economics
B21EC06DE – Public Economics
(2023 January Admissions)

Time: 3 Hours

Max Marks: 70

Section A

Answer any ten of the following questions in a word or sentence each. Each question carries 1 mark.

1. Define Public Finance.
2. What is Zero base budgeting?
3. What is meant by Refunding?
4. Meaning of Fiscal federalism.
5. What is Primary Deficit?
6. What is Indirect Tax?
7. What is meant by Tax devolution?
8. What is meant by Real Money burden?
9. What is non-developmental expenditure?
10. Write two examples for non-tax revenue.
11. What is Excise Duty?
12. What is meant by Incidence of Tax?
13. What is Budget?
14. What do Article 280 deal with?
15. State Finance Commission.

(1X10=10)

Section B

Answer any ten of the following questions in two or three sentences each. Each question carries 2 marks.

16. Write about the subject matter of Public finance.
17. Write a short-note on the role of government in modern economy.
18. Explain the term Market failure?

19. What is Free Rider Problem?
20. Write a short note on Horizontal equity.
21. What is the classical view on public debt?
22. Write a note on Taxable Capacity.
23. Who formulated the law of increasing state activities and explain the theory?
24. Discuss Fiscal Imbalances.
25. What are the reasons for increase in public expenditure?
26. Name three disadvantages of VAT?
27. What is advalorem tax? Write any two merits of it.
28. Explain with examples the difference between pure and impure public goods.
29. Write two objectives of fiscal decentralization.
30. Differentiate between positive and normative aspects of Public Finance.

(2X10=20)

Section C

Answer any five of the following questions in a paragraph each. Each question carries 4 marks.

31. State and explain the most important characteristics of a Public good.
32. Explain the mercantilist view of public debt.
33. Explain Adam Smith's canons of taxation.
34. Explain the inter-governmental transfers to the states in India.
35. Write a note on Revenue and capital expenditure.
36. Explain the functions and working of finance commission.
37. Explain Peacock wiseman hypothesis.
38. Write short note on Externalities.
39. Examine the structure and growth of public debt in India.
40. Discuss in detail the composition of public debt in India.

(4X5=20)

Section D

Answer any two of the following questions in two pages each. Each question carries 10 marks.

41. Discuss in detail Fiscal Decentralization in India.
42. What is meant by VAT? Discuss its advantages and problems.
43. Explain the key objectives and major provisions of the FRBM Act, 2003.
44. Define Fiscal Federalism and elaborate the principles of Fiscal Federalism.

(10X2=20)